

INTERNATIONAL ASSISTANCE PROGRAMS

MILLENNIUM CHALLENGE CORPORATION

Federal Funds

General and special funds:

MILLENNIUM CHALLENGE ACCOUNT

(Legislative proposal, not subject to PAYGO)

For necessary expenses for the "Millennium Challenge Account", \$1,300,000,000, to remain available until expended: Provided, That the availability of such amounts is contingent upon enactment of authorization.

Program and Financing (in millions of dollars)

Identification code 95-2750-2-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Country Programs			775
00.02 Administrative Expenses			25
10.00 Total new obligations			800
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			1,300
23.95 Total new obligations			- 800
24.40 Unobligated balance carried forward, end of year			500
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			1,300
Change in obligated balances:			
73.10 Total new obligations			800
73.20 Total outlays (gross)			- 650
74.40 Obligated balance, end of year			150
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			650
Net budget authority and outlays:			
89.00 Budget authority			1,300
90.00 Outlays			650

At the Inter-American Development Bank on March 14, 2002, President Bush called for "A new compact for global development, defined by new accountability for both rich and poor nations alike. Greater contributions from developed nations must be linked to greater responsibility from developed nations." The President pledged that the United States would lead by example and increase its core development assistance by 50 percent over the next three years. These increased funds will go into a new Millennium Challenge Account (MCA). Because sound policies are an essential condition of development, the President announced that the MCA will be "devoted to projects in nations that govern justly, invest in their people and encourage economic freedom."

The MCA will be administered by a new government corporation designed to support innovative strategies and to ensure accountability for measurable results. This small independent agency will be supervised by a Board of Directors composed of Cabinet level officials and chaired by the Secretary of State. The CEO of the Millennium Challenge Corporation will be nominated by the President and confirmed by the Senate. Personnel will be drawn from a variety of government and non-government agencies and will serve limited-term appointments. The Corporation will be designed to make maximum use of flexible authorities to optimize efficiency in contracting, program implementation, and personnel.

Selection of specific countries will be based on a set of criteria that will, as stated by President Bush, "reward nations that root out corruption, respect human rights, and adhere to the rule of law . . . invest in better health care, better schools and broader immunization . . . [and] have more open markets and sustainable budget policies . . ." Given the link between financial accountability and success, countries failing to achieve a passing score on the corruption indicator will be ineligible, absent material change in their circumstances.

During 2004, the first year of MCA operation, it is anticipated that only countries eligible to borrow from the International Development Association and which have per capita incomes below \$1,435 will be considered for selection. By 2006, it is anticipated that country eligibility will be broadened to include all countries with per capita incomes up to \$2,975, the current World Bank cutoff for lower middle income countries.

Object Classification (in millions of dollars)

Identification code 95-2750-2-1-151	2002 actual	2003 est.	2004 est.
11.1 Personnel compensation: Full-time permanent			5
12.1 Civilian personnel benefits			1
21.0 Travel and transportation of persons			2
23.2 Rental payments to others			2
23.3 Communications, utilities, and miscellaneous charges			1
25.2 Other services			12
26.0 Supplies and materials			2
41.0 Grants, subsidies, and contributions			775
99.9 Total new obligations			800

Personnel Summary

Identification code 95-2750-2-1-151	2002 actual	2003 est.	2004 est.
Total compensable workyears:			
1001 Civilian full-time equivalent employment			50

INTERNATIONAL SECURITY ASSISTANCE

Federal Funds

General and special funds:

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, \$2,535,000,000, to remain available until September 30, 2005: Provided, That funds appropriated under this heading that are made available for Israel, shall be available on a grant basis as a cash transfer and shall be disbursed within 30 days of the enactment of this Act or by October 31, 2003, whichever is later: Provided further, That funds under this heading may be used, notwithstanding any other provision of law, to establish and operate one or more enterprise funds in the Middle East region: Provided further, that provisions contained in section 201 of the Support for East European Democracy (SEED) Act of 1989 (excluding the authorizations of appropriations provided in subsection (b) of that section) shall apply with respect to such enterprise funds: Provided further, That funds appropriated under this heading may be used, notwithstanding any other provision of law, to provide assistance to the National Democratic Alliance of Sudan to strengthen its ability to protect civilians from attacks, slave raids, and aerial bombardment by the Sudanese Government forces and its militia allies, and the provision of such funds shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That in the previous proviso, the term "assistance" includes non-lethal, non-food aid such as blankets, medicine, fuel, mobile clinics, water drilling

General and special funds—Continued**ECONOMIC SUPPORT FUND—Continued**

equipment, communications equipment to notify civilians of aerial bombardment, non-military vehicles, tents, and shoes: Provided further, That the last proviso under this heading in P.L. 107-115 and any comparable provision in an appropriations Act for fiscal year 2003 are hereby repealed.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 72-1037-0-1-152	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	3,442	3,191	2,535
09.01 Reimbursable program	159		
10.00 Total new obligations	3,601	3,191	2,535
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	891	701	
22.00 New budget authority (gross)	2,829	2,490	2,535
22.10 Resources available from recoveries of prior year obligations	11		
22.21 Unobligated balance transferred to other accounts	-35		
22.22 Unobligated balance transferred from other accounts	607		
23.90 Total budgetary resources available for obligation	4,303	3,191	2,535
23.95 Total new obligations	-3,601	-3,191	-2,535
23.98 Unobligated balance expiring or withdrawn	-3		
24.40 Unobligated balance carried forward, end of year	701		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	2,689	2,490	2,535
40.36 Unobligated balance rescinded	-10		
41.00 Transferred to other accounts	-21		
42.00 Transferred from other accounts	12		
43.00 Appropriation (total discretionary)	2,670	2,490	2,535
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	159		
70.00 Total new budget authority (gross)	2,829	2,490	2,535
Change in obligated balances:			
72.40 Obligated balance, start of year	2,955	3,323	4,042
73.10 Total new obligations	3,601	3,191	2,535
73.20 Total outlays (gross)	-3,230	-2,472	-2,653
73.40 Adjustments in expired accounts (net)	6		
73.45 Recoveries of prior year obligations	-11		
74.40 Obligated balance, end of year	3,323	4,042	3,924
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	974	932	1,070
86.93 Outlays from discretionary balances	2,256	1,540	1,583
87.00 Total outlays (gross)	3,230	2,472	2,653
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-159		
Net budget authority and outlays:			
89.00 Budget authority	2,670	2,490	2,535
90.00 Outlays	3,071	2,472	2,653

This account supports U.S. foreign policy objectives by providing economic assistance to allies and countries in transition to democracy, supporting Middle East peace negotiations, and financing economic stabilization programs, frequently in a multi-donor context. Key objectives include:

(1) Supporting strategically significant friends and allies through assistance designed to increase the role of the private sector in the economy, reduce government controls over markets, enhance job creation, and improve economic growth.

(2) Developing and strengthening institutions necessary for sustainable democracy. Typical areas of assistance include

technical assistance to administer and monitor elections, capacity-building for non-governmental organizations, judicial training, and women's participation in politics. Assistance is also provided to support the transformation of the public sector to encourage democratic development, including training to improve public administration, promote decentralization, strengthen local governments, parliaments, independent media and non-governmental organizations.

(3) Strengthening the capacity to manage the human dimension of the transition to democracy and a market economy and to help sustain the neediest sectors of the population during the transition period.

Object Classification (in millions of dollars)

Identification code 72-1037-0-1-152	2002 actual	2003 est.	2004 est.
Direct obligations:			
25.2 Other services	70	65	50
41.0 Grants, subsidies, and contributions	3,272	3,126	2,485
99.0 Direct obligations	3,342	3,191	2,535
99.0 Reimbursable obligations	159		
41.0 Allocation Account: Grants, subsidies, and contributions	100		
99.9 Total new obligations	3,601	3,191	2,535

ECONOMIC SUPPORT FUND TRANSFER ACCOUNT**Program and Financing (in millions of dollars)**

Identification code 11-1044-0-1-151	2002 actual	2003 est.	2004 est.
Change in obligated balances:			
72.40 Obligated balance, start of year	2	1	
73.20 Total outlays (gross)	-1	-1	
74.40 Obligated balance, end of year	1		
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	1	1	
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	1	1	

CENTRAL AMERICA AND THE CARIBBEAN EMERGENCY DISASTER RECOVERY FUND**Program and Financing (in millions of dollars)**

Identification code 72-1096-0-1-151	2002 actual	2003 est.	2004 est.
Change in obligated balances:			
72.40 Obligated balance, start of year	188	113	68
73.20 Total outlays (gross)	-75	-45	-27
74.40 Obligated balance, end of year	113	68	41
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	75	45	27
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	75	45	27

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, \$4,414,000,000: Provided, That funds appropriated by this paragraph that are made available for Israel shall be disbursed within 30 days of the enactment of this Act or by October 31, 2003, whichever is later: Provided further, That funds appropriated by this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: Provided further, That funds

made available under this paragraph shall be obligated upon appropriation in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a).

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: Provided, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining, the clearance of unexploded ordnance, and related activities, and may include activities implemented through nongovernmental and international organizations: Provided further, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: Provided further, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: Provided further, That not more than \$40,500,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: Provided further, That not more than \$361,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 2004 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations: Provided further, That foreign military financing program funds estimated to be outlayed for Egypt during fiscal year 2004 shall be transferred to an interest bearing account for Egypt in the Federal Reserve Bank of New York within 30 days of enactment of this Act or by October 31, 2003, whichever is later.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-1082-0-1-152	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
00.01 Country grants	3,714	4,378	4,374
00.09 Administrative Expenses	35	37	40
01.92 Total Direct Obligations	3,749	4,415	4,414
10.00 Total new obligations	3,749	4,415	4,414
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		308	
22.00 New budget authority (gross)	4,007	4,107	4,414
22.10 Resources available from recoveries of prior year obligations	5		
22.22 Unobligated balance transferred from other accounts	45		
23.90 Total budgetary resources available for obligation	4,057	4,415	4,414
23.95 Total new obligations	-3,749	-4,415	-4,414
24.40 Unobligated balance carried forward, end of year	308		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	4,007	4,107	4,414
Change in obligated balances:			
72.40 Obligated balance, start of year	2,593	1,934	1,797
73.10 Total new obligations	3,749	4,415	4,414
73.20 Total outlays (gross)	-4,403	-4,552	-4,288
73.45 Recoveries of prior year obligations	-5		
74.40 Obligated balance, end of year	1,934	1,797	1,923
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2,112	2,450	2,847
86.93 Outlays from discretionary balances	2,291	2,102	1,441

87.00	Total outlays (gross)	4,403	4,552	4,288
Net budget authority and outlays:				
89.00	Budget authority	4,007	4,107	4,414
90.00	Outlays	4,403	4,552	4,288

The foreign military financing (FMF) program enables selected friendly and allied countries to improve their ability to defend themselves by financing their acquisition of U.S. military articles, services, and training. This account provides the grant financing portion of the FMF program. Credit financing, in the form of direct loans, is provided in the FMF loan program account.

Object Classification (in millions of dollars)

Identification code 11-1082-0-1-152	2002 actual	2003 est.	2004 est.
25.2 Other services	35	37	40
41.0 Grants	3,714	4,378	4,374
99.9 Total new obligations	3,749	4,415	4,414

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, \$91,700,000, of which up to \$3,000,000 may remain available until expended: Provided, That the civilian personnel for whom military education and training may be provided under this heading may include civilians who are not members of a government whose participation would contribute to improved civil-military relations, civilian control of the military, or respect for human rights.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-1081-0-1-152	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	73	81	92
10.00 Total new obligations	73	81	92
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	1	
22.00 New budget authority (gross)	70	80	92
23.90 Total budgetary resources available for obligation	73	81	92
23.95 Total new obligations	-73	-81	-92
24.40 Unobligated balance carried forward, end of year	1		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	70	80	92
Change in obligated balances:			
72.40 Obligated balance, start of year	46	55	60
73.10 Total new obligations	73	81	92
73.20 Total outlays (gross)	-59	-76	-88
73.40 Adjustments in expired accounts (net)	-5		
74.40 Obligated balance, end of year	55	60	64
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	33	41	47
86.93 Outlays from discretionary balances	26	35	41
87.00 Total outlays (gross)	59	76	88
Net budget authority and outlays:			
89.00 Budget authority	70	80	92
90.00 Outlays	59	76	88

This assistance provides grants for military education and training to military and civilian students from foreign countries. In addition to helping these countries move toward self-sufficiency in defending themselves, this program also exposes

General and special funds—Continued

INTERNATIONAL MILITARY EDUCATION AND TRAINING—Continued

foreign students to American democratic values, particularly military respect for civilian rule and for internationally recognized standards of individual and human rights.

Object Classification (in millions of dollars)

Identification code 11-1081-0-1-152	2002 actual	2003 est.	2004 est.
26.0 Supplies and materials	7	8	9
41.0 Grants, subsidies, and contributions	66	73	83
99.9 Total new obligations	73	81	92

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, \$94,900,000.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 72-1032-0-1-152	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity	366	137	95
09.01 Reimbursable program	2		
10.00 Total new obligations	368	137	95
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		29	
22.00 New budget authority (gross)	167	108	95
22.10 Resources available from recoveries of prior year obligations	5		
22.22 Unobligated balance transferred from other accounts	225		
23.90 Total budgetary resources available for obligation	397	137	95
23.95 Total new obligations	-368	-137	-95
24.40 Unobligated balance carried forward, end of year	29		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	155	108	95
42.00 Transferred from other accounts	9		
43.00 Appropriation (total discretionary)	164	108	95
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	3		
70.00 Total new budget authority (gross)	167	108	95
Change in obligated balances:			
72.40 Obligated balance, start of year	79	93	74
73.10 Total new obligations	368	137	95
73.20 Total outlays (gross)	-339	-156	-105
73.40 Adjustments in expired accounts (net)	-17		
73.45 Recoveries of prior year obligations	-5		
74.10 Change in uncollected customer payments from Federal sources (expired)	7		
74.40 Obligated balance, end of year	93	74	64
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	55	75	66
86.93 Outlays from discretionary balances	284	81	39
87.00 Total outlays (gross)	339	156	105
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-8		
88.40 Non-Federal sources	-3		
88.90 Total, offsetting collections (cash)	-11		
Against gross budget authority only:			
88.96 Portion of offsetting collections (cash) credited to expired accounts	8		

Net budget authority and outlays:

89.00 Budget authority	164	108	95
90.00 Outlays	328	156	105

Object Classification (in millions of dollars)

Identification code 72-1032-0-1-152	2002 actual	2003 est.	2004 est.
41.0 Direct obligations: Grants, subsidies, and contributions	366	137	95
99.0 Reimbursable obligations: Reimbursable obligations	2		
99.9 Total new obligations	368	137	95

This account funds U.S. assistance to international efforts to monitor and maintain the peace in areas of special concern to the United States, and provides funds to other related programs carried out in furtherance of the national security interests of the United States. In 2004, contributions are planned for programs in Africa, the Multinational Force and Observers in the Sinai, Organization for Security and Cooperation in Europe (OSCE) activities in Bosnia, Croatia, and Kosovo, and other activities.

UNITED STATES EMERGENCY FUND FOR COMPLEX FOREIGN CRISES

(Legislative proposal, not subject to PAYGO)

For necessary expenses to enable the President to respond to or prevent unforeseen complex foreign crises, \$100,000,000, to remain available until expended: Provided, That funds appropriated under this heading may be made available only pursuant to a determination by the President that it is in the national interest to furnish assistance on such terms and conditions as he may determine for the purpose of preventing or responding to unforeseen complex foreign crises, including support for peace and humanitarian intervention operations to prevent or respond to foreign territorial disputes, armed ethnic and civil conflicts that pose threats to regional and international peace, and acts of ethnic cleansing, mass killing, or genocide: Provided further, That none of the funds appropriated under this heading shall be available to respond to natural disasters: Provided further, That for funds appropriated under this heading the President may make allocations to Federal agencies to carry out the authorities provided under this heading: Provided further, That the President may furnish assistance under this heading notwithstanding any other provision of law.

Program and Financing (in millions of dollars)

Identification code 11-2300-2-1-152	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity			30
10.00 Total new obligations (object class 41.0)			30
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			100
23.95 Total new obligations			-30
24.40 Unobligated balance carried forward, end of year			70
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			100
Change in obligated balances:			
73.10 Total new obligations			30
73.20 Total outlays (gross)			-25
74.40 Obligated balance, end of year			5
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			25
Net budget authority and outlays:			
89.00 Budget authority			100
90.00 Outlays			25

This is a proposal for a new appropriation that is intended to assist the President to quickly and effectively respond to

or prevent unforeseen complex foreign crises by providing resources that can be drawn upon at the onset of a crisis. This appropriation will be used to fund a range of foreign assistance activities, including support for peace and humanitarian intervention operations to prevent or respond to foreign territorial disputes, armed ethnic and civil conflicts that pose threats to regional and international peace, and acts of ethnic cleansing, mass killing or genocide. Use of this appropriation will require a determination by the President that a complex emergency exists and that it is in the national interest to furnish assistance in response. This appropriation will not fund assistance activities in response to natural disasters because existing contingency funding is available for that purpose.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism and related programs and activities, \$385,200,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, chapter 9 of part II of the Foreign Assistance Act of 1961, section 504 of the FREEDOM Support Act, section 23 of the Arms Export Control Act or the Foreign Assistance Act of 1961 for demining activities, the clearance of unexploded ordnance, the destruction of small arms, and related activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA), and for a United States contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: Provided, That of this amount not to exceed \$35,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: Provided further, That such funds may also be used for such countries other than the Independent States of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so following consultation with the appropriate committees of Congress: Provided further, That of the funds made available for demining and related activities, not to exceed \$690,000, in addition to funds otherwise available for such purposes, may be used for administrative expenses related to the operation and management of the demining program.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-1075-0-1-152	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Nonproliferation and Disarmament Fund	16	35	35
00.02 Export Control Assistance	17	36	40
00.03 International Science and Technology Centers/Biological Weapons Redirection	40	52	59
00.04 Anti-terrorism Assistance Supplemental .....	.....	83	.....
00.05 IAEA Voluntary Contribution	50	50	50
00.06 CTBT International Monitoring System	17	18	19
00.07 Korean Peninsula Energy Development Organization	90	.....	.....
00.08 Anti-terrorism Assistance	41	64	106
00.09 Terrorist Interdiction Program	4	5	11
00.10 Counter-terrorism Engagement with Allies .....	.....	.....	3
00.11 Humanitarian Demining Programs	34	55	60
00.12 Other/Unallocated	3	75	.....
00.13 Small Arms Destruction	3	2	2
00.14 Emergency Response Fund: Export Control Assistance	23	2	.....
00.15 Emergency Response Fund: Anti-terrorism Assistance	47	2	.....
00.16 Emergency Response Fund: Terrorist Interdiction Program	4	.....	.....
00.17 Emergency Response Fund: Counter-terrorism Engagement with Allies	3	.....	.....
00.18 Emergency Response Fund: Afghanistan Demining	3	.....	.....
00.19 Emergency Response Fund: Counter-terrorism Equipment for Israel	28	.....	.....
00.20 Emergency Response Fund: Biological Weapons Redirection	30	.....	.....

09.01 Reimbursable program	30	.....	.....
10.00 Total new obligations	483	479	385
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	16	107	.....
22.00 New budget authority (gross)	428	372	385
22.10 Resources available from recoveries of prior year obligations	5	.....	.....
22.21 Unobligated balance transferred to other accounts	-16	.....	.....
22.22 Unobligated balance transferred from other accounts	156	.....	.....
23.90 Total budgetary resources available for obligation	589	479	385
23.95 Total new obligations	-483	-479	-385
24.40 Unobligated balance carried forward, end of year	107	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	397	372	385
42.00 Transferred from other accounts	1	.....	.....
43.00 Appropriation (total discretionary)	398	372	385
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	30	.....	.....
70.00 Total new budget authority (gross)	428	372	385
Change in obligated balances:			
72.40 Obligated balance, start of year	148	212	252
73.10 Total new obligations	483	479	385
73.20 Total outlays (gross)	-413	-439	-441
73.45 Recoveries of prior year obligations	-5	.....	.....
74.40 Obligated balance, end of year	212	252	196
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	234	242	250
86.93 Outlays from discretionary balances	179	197	191
87.00 Total outlays (gross)	413	439	441
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-30	.....	.....
Net budget authority and outlays:			
89.00 Budget authority	398	372	385
90.00 Outlays	383	439	441

This account funds contributions to certain organizations supporting nonproliferation, and provides assistance for nonproliferation, demining, anti-terrorism, export control assistance, and other related activities.

Object Classification (in millions of dollars)

Identification code 11-1075-0-1-152	2002 actual	2003 est.	2004 est.
Direct obligations:			
21.0 Travel and transportation of persons	2	2	2
25.2 Other services	186	272	178
25.5 Research and development contracts	30	20	20
31.0 Equipment	38	10	10
41.0 Grants, subsidies, and contributions	197	175	175
99.0 Direct obligations	453	479	385
99.0 Reimbursable obligations	30	.....	.....
99.9 Total new obligations	483	479	385

NON-PROLIFERATION AND DISARMAMENT FUND

Program and Financing (in millions of dollars)

Identification code 11-1071-0-1-152	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Nonproliferation and Disarmament Programs	5	.....	.....
10.00 Total new obligations (object class 25.2)	5	.....	.....
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	4	.....	.....

General and special funds—Continued

NON-PROLIFERATION AND DISARMAMENT FUND—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 11-1071-0-1-152	2002 actual	2003 est.	2004 est.
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	5		
23.95 Total new obligations	-5		
Change in obligated balances:			
72.40 Obligated balance, start of year	4	8	3
73.10 Total new obligations	5		
73.20 Total outlays (gross)		-5	-3
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	8	3	
Outlays (gross), detail:			
86.93 Outlays from discretionary balances		5	3
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays		5	3

This account provided financial and technical assistance to support nonproliferation and disarmament efforts in foreign countries, including education and training, elimination of weapons of mass destruction, and development of export control capabilities. Starting in 1997, these activities have been funded from the Nonproliferation, Anti-Terrorism, Demining and Related Programs account. This schedule reflects the spend-out of prior-year obligations.

Credit accounts:

FOREIGN MILITARY FINANCING LOAN PROGRAM ACCOUNT

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 11-1085-0-1-152	2002 actual	2003 est.	2004 est.
0101 Foreign military financing, downward reestimates of subsidies	16	522	

Program and Financing (in millions of dollars)

Identification code 11-1085-0-1-152	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.05 Upward reestimates of direct loan subsidy	130		
00.06 Interest on upward reestimates of direct loan subsidy	36		
10.00 Total new obligations (object class 41.0)	166		
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	166		
23.95 Total new obligations	-166		
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation (indefinite)	166		
Change in obligated balances:			
72.40 Obligated balance, start of year	70	7	
73.10 Total new obligations	166		
73.20 Total outlays (gross)	-211	-7	
73.40 Adjustments in expired accounts (net)	-18		
74.40 Obligated balance, end of year	7		
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	45	7	
86.97 Outlays from new mandatory authority	166		
87.00 Total outlays (gross)	211	7	
Net budget authority and outlays:			
89.00 Budget authority	166		

90.00 Outlays	211	7	
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As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the direct loans obligated for foreign military financing committed in 1992 and after, as well as the administrative expenses of this program. The foreign military financing credit program provides loans that finance sales of defense articles, defense services, and design and construction services to foreign countries and international organizations. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 11-1085-0-1-152	2002 actual	2003 est.	2004 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Direct loan levels—DSCA Loan Program		3,800	
115901 Total direct loan levels		3,800	
Direct loan subsidy (in percent):			
132001 Direct loan levels—DSCA Loan Program	0.00	0.00	
132901 Weighted average subsidy rate	0.00	0.00	
Direct loan subsidy budget authority:			
133001 Direct loan levels—DSCA Loan Program			
133901 Total subsidy budget authority			
Direct loan subsidy outlays:			
134001 Direct loan levels—DSCA Loan Program	45	7	
134901 Total subsidy outlays	45	7	
Direct loan upward reestimate subsidy budget authority:			
135001 Direct loan levels—DSCA Loan Program	166		
135901 Total upward reestimate budget authority	166		
Direct loan upward reestimate subsidy outlays:			
136001 Direct loan levels—DSCA Loan Program	166		
136901 Total upward reestimate outlays	166		
Direct loan downward reestimate subsidy budget authority:			
137001 Direct loan levels—DSCA Loan Program	-16	-522	
137901 Total downward reestimate budget authority	-16	-522	
Direct loan downward reestimate subsidy outlays:			
138001 Direct loan levels—DSCA Loan Program	-16	-522	
138901 Total downward reestimate subsidy outlays	-16	-522	

FOREIGN MILITARY FINANCING DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 11-4122-0-3-152	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Loans		3,800	
00.02 Interest on Debt to Treasury	117	87	74
00.91 Direct Program by Activities—Subtotal (1 level)	117	3,887	74
08.02 Downward reestimate paid to receipt accounts	11	397	
08.04 Interest due on downward subsidy re-estimate	5	125	
08.91 Direct Program by Activities—Subtotal (1 level)	16	522	
10.00 Total new obligations (object class 33.0)	133	4,409	74
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		33	200
22.00 New financing authority (gross)	166	4,576	74
23.90 Total budgetary resources available for obligation	166	4,609	274
23.95 Total new obligations	-133	-4,409	-74
24.40 Unobligated balance carried forward, end of year	33	200	200
New financing authority (gross), detail:			
Discretionary:			
47.00 Authority to borrow		3,800	

Mandatory:			
67.10 Authority to borrow	23	522	
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	645	812	560
68.10 Change in receivables from program account	-45	-7	
68.47 Portion applied to repay debt	-457	-551	-486
68.90 Spending authority from offsetting collections (total discretionary)	143	254	74
Mandatory:			
69.00 Offsetting collections (cash)	166		
69.47 Portion applied to repay debt	-166		
69.90 Spending authority from offsetting collections (total mandatory)			
70.00 Total new financing authority (gross)	166	4,576	74

Change in obligated balances:			
72.40 Obligated balance, start of year	342	49	3,800
73.10 Total new obligations	133	4,409	74
73.20 Total financing disbursements (gross)	-471	-666	-74
74.00 Change in uncollected customer payments from Federal sources (unexpired)	45	7	
74.40 Obligated balance, end of year	49	3,800	3,800
87.00 Total financing disbursements (gross)	471	666	74

Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
Federal sources:			
88.00 Federal sources—subsidy for country direct loans	-45	-7	
88.00 Federal sources—upward subsidy reestimate	-166		
88.25 Interest on uninvested funds	-31		
Non-Federal sources:			
88.40 Non-Federal sources—principal	-433	-476	-463
88.40 Non-Federal sources—interest	-136	-129	-97
88.40 Non-Federal sources—fees		-200	
88.90 Total, offsetting collections (cash)	-811	-812	-560
Against gross financing authority only:			
88.95 Change in receivables from program accounts	45	7	
Net financing authority and financing disbursements:			
89.00 Financing authority	-600	3,771	-486
90.00 Financing disbursements	-341	-146	-486

Status of Direct Loans (in millions of dollars)

Identification code 11-4122-0-3-152	2002 actual	2003 est.	2004 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans		3,800	
1150 Total direct loan obligations		3,800	
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,943	1,847	1,428
1231 Disbursements: Direct loan disbursements	337	56	
1251 Repayments: Repayments and prepayments	-433	-475	-462
1290 Outstanding, end of year	1,847	1,428	966

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans for foreign military financing obligated in 1992 and after. The foreign military financing credit program provides loans that finance sales of defense articles, defense services, and design and construction services to foreign countries and international organizations. The amounts in this account are a means of financing and are not included in budget totals.

Balance Sheet (in millions of dollars)

Identification code 11-4122-0-3-152	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	145	42	200	200

Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	1,943	1,847	1,428	966
1402 Interest receivable	26	14	11	7
1405 Allowance for subsidy cost (-)	-353	-511	-790	-810
1499 Net present value of assets related to direct loans	1,616	1,350	649	163
1999 Total assets	1,761	1,392	849	363
LIABILITIES:				
Federal liabilities:				
2103 Debt	1,691	1,316	849	363
2105 Other	70	76		
2999 Total liabilities	1,761	1,392	849	363
4999 Total liabilities and net position	1,761	1,392	849	363

FOREIGN MILITARY LOAN LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 11-4121-0-3-152	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity—Defaulted Guaranteed Loans with Commercial Banks	19	25	54
00.02 Direct Program Activity—Defaulted Loans with the FFB	46	15	14
10.00 Total new obligations (object class 33.0)	65	40	68

Budgetary resources available for obligation:			
22.00 New budget authority (gross)	65	40	68
23.95 Total new obligations	-65	-40	-68

New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	27	26	40
69.00 Offsetting collections (cash)	597	460	355
69.27 Capital transfer to general fund	-325	-212	-104
69.47 Portion applied to repay debt	-234	-234	-223
69.90 Spending authority from offsetting collections (total mandatory)	38	14	28
70.00 Total new budget authority (gross)	65	40	68

Change in obligated balances:			
73.10 Total new obligations	65	40	68
73.20 Total outlays (gross)	-65	-40	-68

Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	65	40	68

Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources (debt reduction)		-31	
Non-Federal sources:			
88.40 Non-Federal sources—loans other than FFB	-363	-195	-132
88.40 Non-Federal sources—FFB loan principal	-234	-234	-223
88.90 Total, offsetting collections (cash)	-597	-460	-355

Net budget authority and outlays:			
89.00 Budget authority	-532	-420	-287
90.00 Outlays	-532	-420	-287

Status of Direct Loans (in millions of dollars)

Identification code 11-4121-0-3-152	2002 actual	2003 est.	2004 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	3,767	3,355	2,805
1231 Disbursements: Direct loan disbursements	21	7	7
Repayments:			
Repayments and prepayments:			
1251 Repayments and prepayments from country	-493	-349	-286
1251 Payments from the Military Debt Reduction account (4174) for purchase of loans		-31	
1261 Adjustments: Capitalized interest	60		

Credit accounts—Continued**FOREIGN MILITARY LOAN LIQUIDATING ACCOUNT—Continued****Status of Direct Loans (in millions of dollars)—Continued**

Identification code 11-4121-0-3-152	2002 actual	2003 est.	2004 est.
1263 Write-offs for default: Direct loans		-177	
1290 Outstanding, end of year	3,355	2,805	2,526

Status of Guaranteed Loans (in millions of dollars)

Identification code 11-4121-0-3-152	2002 actual	2003 est.	2004 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	4,194	3,837	3,488
2251 Repayments and prepayments	-357	-346	-364
2261 Adjustments: Terminations for default that result in loans receivable		-3	-10
2290 Outstanding, end of year	3,837	3,488	3,114
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	3,453	3,140	2,803
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	39	10	18
2331 Disbursements for guaranteed loan claims	19	8	54
2364 Other adjustments, net	-48		
2390 Outstanding, end of year	10	18	72

As required by the Federal Credit Reform Act of 1990, this account records all cash flows to and from the Government resulting from direct loans obligated and loan guarantees for foreign military financing committed prior to 1992. This account is shown on a cash basis and reflects the transactions resulting from loans provided to finance sales of defense articles, defense services, and design and construction services to foreign countries and international organizations. All new foreign military financing credit activity in 1992 and after (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year) is recorded in corresponding program and financing accounts.

Statement of Operations (in millions of dollars)

Identification code 11-4121-0-3-152	2001 actual	2002 actual	2003 est.	2004 est.
0111 Revenue	198	178	149	134
0112 Expense	-198	-178	-149	-134

Balance Sheet (in millions of dollars)

Identification code 11-4121-0-3-152	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	3,767	3,355	2,805	2,526
1602 Interest receivable	479	409	324	235
1604 Direct loans and interest receivable, net	4,246	3,764	3,129	2,761
1699 Value of assets related to direct loans	4,246	3,764	3,129	2,761
1701 Defaulted guaranteed loans, gross	39	10	18	72
1702 Interest receivable			1	3
1799 Value of assets related to loan guarantees	39	10	19	75
1999 Total assets	4,285	3,774	3,148	2,836

LIABILITIES:

2102	2103	2104	2999	4999
Federal liabilities:				
Accrued Interest Payable to FFB	33	32	28	25
Debt—Principal owed to FFB	2,157	1,923	1,689	1,466
Resources payable to Treasury	2,095	1,819	1,431	1,345
Total liabilities	4,285	3,774	3,148	2,836
Total liabilities and net position	4,285	3,774	3,148	2,836

MILITARY DEBT REDUCTION FINANCING ACCOUNT**Program and Financing (in millions of dollars)**

Identification code 11-4174-0-3-152	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity—Direct Loans Purchased from Liquidating Account		31	
00.02 Direct Program Activity—Interest on Debt due to Treasury		1	1
00.03 Direct program activity—Payback of principal to creditor	1		
10.00 Total new obligations	1	32	1
Budgetary resources available for obligation:			
22.00 New financing authority (gross)	1	32	1
23.95 Total new obligations	-1	-32	-1
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	1	32	1
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (debt reduction)			33
68.47 Portion applied to repay debt			-33
68.90 Spending authority from offsetting collections (total discretionary)			
Mandatory:			
69.00 Offsetting collections (cash—subsidy reestimate)		2	
69.47 Portion applied to repay debt		-2	
69.90 Spending authority from offsetting collections (total mandatory)			
70.00 Total new financing authority (gross)	1	32	1
Change in obligated balances:			
73.10 Total new obligations	1	32	1
73.20 Total financing disbursements (gross)	1	-32	-1
87.00 Total financing disbursements (gross)	-1	32	1
Offsets:			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from: Federal sources—subsidy reestimate for loans fully written-off		-2	-33
Net financing authority and financing disbursements:			
89.00 Financing authority	1	30	-32
90.00 Financing disbursements	1	30	-32

Status of Direct Loans (in millions of dollars)

Identification code 11-4174-0-3-152	2002 actual	2003 est.	2004 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans		31	
1150 Total direct loan obligations		31	
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	19	2	31
1233 Disbursements: Purchase of loans assets from a liquidating account		31	
1263 Write-offs for default: Direct loans	-17	-2	-31
1290 Outstanding, end of year	2	31	

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from restructuring foreign military loans. The amounts in this account are a means of financing and are not included in budget totals.

Balance Sheet (in millions of dollars)

Identification code 11-4174-0-3-152	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	19	2	31	
1405 Allowance for subsidy cost (-)	-17			
1499 Net present value of assets related to direct loans	2	2	31	
1999 Total assets	2	2	31	
LIABILITIES:				
2103 Federal liabilities: Debt	2	2	31	
2999 Total liabilities	2	2	31	
4999 Total liabilities and net position	2	2	31	

INTERNATIONAL DEVELOPMENT ASSISTANCE MULTILATERAL ASSISTANCE

Federal Funds**General and special funds:**

INTERNATIONAL FINANCIAL INSTITUTIONS
GLOBAL ENVIRONMENT FACILITY

For the United States contribution for the Global Environment Facility, \$184,996,904, to the International Bank for Reconstruction and Development as trustee for the Global Environment Facility, by the Secretary of the Treasury, to remain available until expended.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-0077-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	101	178	185
10.00 Total new obligations (object class 33.0)	101	178	185
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	7,663	7,663	7,663
22.00 New budget authority (gross)	101	178	185
23.90 Total budgetary resources available for obligation	7,764	7,841	7,848
23.95 Total new obligations	-101	-178	-185
24.40 Unobligated balance carried forward, end of year	7,663	7,663	7,663
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	101	178	185
Change in obligated balances:			
72.40 Obligated balance, start of year	264	268	295
73.10 Total new obligations	101	178	185
73.20 Total outlays (gross)	-97	-151	-147
74.40 Obligated balance, end of year	268	295	333
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	15	50	28
86.93 Outlays from discretionary balances	82	101	119
87.00 Total outlays (gross)	97	151	147
Net budget authority and outlays:			
89.00 Budget authority	101	178	185
90.00 Outlays	97	151	147

The International Bank for Reconstruction and Development (IBRD or World Bank) provides financing and technical assistance to support infrastructure investment and policy reform. IBRD operations are designed to promote sustainable economic growth increase productivity growth, and raise living standards, including through targeted investments in basic human needs, private-sector development, and core policy reforms.

The IBRD made new commitments of \$11.5 billion during 2002, IBRD gross disbursements were \$11.3 billion. Since its establishment in 1945, the IBRD has made loans totaling \$371 billion. No request is being made for IBRD capital in 2004.

The IBRD acts as trustee for the Global Environment Facility (GEF) Trust Fund. The GEF provides technical assistance and partial funding for developing country investments designed to provide global environmental benefits by reducing international water pollution and ozone depletion, and by promoting biodiversity and energy conservation. The U.S. has activity supported the GEF's expanded focus to include a new international environmental agreement on persistent organic pollutants, which are of particular concern in the northern U.S. With its highly specific focus on global environmental issues—where both costs and benefits are shared across international borders—the GEF occupies an important niche in the system of international financial institutions. Its basic mission is to support innovative and cost-effective pilot investments whose design and environmental benefits can be duplicated (and financed) elsewhere. Under strong U.S. leadership, agreement was reached on policy reforms for the third replenishment (GEF-3) to further improve GEF's performance, including development of a performance-based allocation system, development of a private sector strategy, and the creation of an independent monitoring and evaluation unit. GEF has been making substantial progress in leveraging its limited resources. The World Bank, the UN Development Program, the UN Environment Program and, increasingly, private investors, provide substantial co-financing for GEF projects. Since its inception in 1994, total GEF commitments amount to about \$3.4 billion, with associated co-financing of about \$10.3 billion.

The initial U.S. commitment to the GEF in 1995 amounted to \$430 million, and the second replenishment (GEF-2) agreed to in 1998, also included a U.S. commitment of \$430 million in four installments over the 1999-2002 period. The third replenishment (GEF-3) agreed to in 2002 includes a U.S. commitment of \$500 million in four installments from 2003-2006. The fourth installment includes an additional \$70 million, which is tied to GEF meeting specific performance targets in the GEF-3 period. In 2004, the Administration is requesting \$77.5 million to clear a portion of arrears and \$107.5 million for the second installment of the U.S. pledge of \$500 million to GEF's third replenishment (GEF-3).

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, \$976,825,167, to remain available until expended.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-0073-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	792	874	977
10.00 Total new obligations (object class 33.0)	792	874	977

General and special funds—Continued

INTERNATIONAL FINANCIAL INSTITUTIONS—Continued

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION—
Continued

Program and Financing (in millions of dollars)—Continued

Identification code 11-0073-0-1-151	2002 actual	2003 est.	2004 est.
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	792	874	977
23.95 Total new obligations	-792	-874	-977
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	792	874	977
Change in obligated balances:			
72.40 Obligated balance, start of year	1,869	1,733	1,611
73.10 Total new obligations	792	874	977
73.20 Total outlays (gross)	-929	-996	-1,323
74.40 Obligated balance, end of year	1,733	1,611	1,264
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	57	68	70
86.93 Outlays from discretionary balances	872	928	1,253
87.00 Total outlays (gross)	929	996	1,323
Net budget authority and outlays:			
89.00 Budget authority	792	874	977
90.00 Outlays	929	996	1,323

The International Development Association (IDA) is a member of the World Bank Group and provides development financing on highly concessional terms and great terms to the world's poorest nations. These countries are primarily in Sub-Saharan Africa and South Asia, but also in Latin America, Eastern Europe, and the former Soviet Union. IDA places special emphasis on achieving sustained productivity growth and poverty reduction, and particularly strives to meet the exceptional development challenges faced by Africa within its broad commitment to support all the world's poor countries. IDA is the single largest source of multilateral lending extended on concessional terms to developing countries. Projects have to meet the same economic, financial, and environmental standards as other World Bank projects. IDA resources for new lending are increasingly provided by earnings and repayments of existing loans and are augmented by new donor contributions through periodic "replenishments."

During 2002, IDA made new commitments of \$8.1 billion, and IDA's gross disbursements were \$6.6 billion. Since its establishment, IDA has made commitments totaling \$135 billion.

Under the thirteenth replenishment (IDA-13), IDA will provide total resources for prospective new loan commitments of \$22.8 billion over the 2003-2005 period. The U.S. pledge of \$2.85 billion over the three years (roughly 22 percent of total donor contributions), is subject in part to a set of performance indicators, tied to increased contributions in 2004 and 2005. Through the IDA-13 replenishment negotiations, U.S. leadership secured a number of commitments for reform of IDA, most crucially resulting in a bolder stance on the use of grants and focus on measurable results. IDA committed to the initiation of a performance measurement system, including outline of approach, baseline data, outcome indicators, and progress targets. The U.S. made \$300 million of its overall contribution conditional on IDA making sufficient progress towards performance targets for the second and third years of IDA-13. IDA will also allocate 18-21% of its total resources as grants. Priority for grants will be given to the poorest countries, those that are post-conflict and/or highly debt-vulnerable, and for HIV/AIDS or natural disaster reconstruction projects. The 2004 request consists of \$950 million for the

second year of our commitment under the replenishment and \$26.8 million to clear a portion of arrears to IDA.

CONTRIBUTION TO MULTILATERAL INVESTMENT GUARANTEE AGENCY

For payment to the Multilateral Investment Guarantee Agency by the Secretary of the Treasury, \$4,001,672, for the United States paid-in share of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Multilateral Investment Guarantee Agency may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed \$16,339,982.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-0084-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity	5	4	4
10.00 Total new obligations (object class 33.0)	5	4	4
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	5	4	4
23.95 Total new obligations	-5	-4	-4
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	5	4	4
Change in obligated balances:			
72.40 Obligated balance, start of year	33	22	22
73.10 Total new obligations	5	4	4
73.20 Total outlays (gross)	-16	-4	-4
74.40 Obligated balance, end of year	22	22	22
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	5	4	4
86.93 Outlays from discretionary balances	11		
87.00 Total outlays (gross)	16	4	4
Net budget authority and outlays:			
89.00 Budget authority	5	4	4
90.00 Outlays	16	4	4

The Multilateral Investment Guarantee Agency (MIGA) is a member of the World Bank Group. MIGA is designed to encourage the flow of foreign private investment to and among developing countries by issuing guarantees against noncommercial risks and carrying out investment promotion activities.

During World Bank fiscal year 2002, MIGA issued 58 guaranteed contracts, with a maximum aggregate contingent liability of \$1.2 billion. Since MIGA's inception, estimated foreign direct investment facilitated totals \$45.8 billion.

Negotiations of MIGA's first General Capital Increase (GCI) were completed in 1998. The United States committed to contribute a total of \$30 million in paid-in capital and nearly \$140 million in callable capital over three years. The agreement included commitments from MIGA on a range of policy issues of substantial importance to the U.S., including environment, information disclosure, labor, and creation of an inspection function for greater accountability and transparency. In 2000, the Administration sought and received congressional authorization for our full participation in the MIGA GCI.

The 2004 request is \$4 million to clear a portion of arrears to MIGA.

CONTRIBUTION TO THE INTER-AMERICAN INVESTMENT CORPORATION

For payment to the Inter-American Investment Corporation, by the Secretary of the Treasury, \$30,898,488, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-0072-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.03 International Investment Corp.	18	30	31
10.00 Total new obligations (object class 33.0)	18	30	31
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3,956	3,798	3,798
22.00 New budget authority (gross)	-141	30	31
23.90 Total budgetary resources available for obligation	3,815	3,828	3,829
23.95 Total new obligations	-18	-30	-31
24.40 Unobligated balance carried forward, end of year	3,798	3,798	3,798
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	18	30	31
40.36 Unobligated balance rescinded	-159		
43.00 Appropriation (total discretionary)	-141	30	31
Change in obligated balances:			
72.40 Obligated balance, start of year	59	48	50
73.10 Total new obligations	18	30	31
73.20 Total outlays (gross)	-29	-28	-30
74.40 Obligated balance, end of year	48	50	51
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	4	6	6
86.93 Outlays from discretionary balances	25	22	24
87.00 Total outlays (gross)	29	28	30
Net budget authority and outlays:			
89.00 Budget authority	-141	30	31
90.00 Outlays	29	28	30

The Inter-American Development Bank (IDB) promotes sustainable economic growth and productivity, poverty reduction, private sector development, and good governance in Latin America and the Caribbean through loans and technical assistance.

In 2002, the IDB made new lending commitments of \$4.5 billion; gross disbursements were \$5.4 billion. Since its inception in 1960, the Bank has lent over \$118 billion.

The Bank provides financing through: (1) the Ordinary Capital window that lends at market-based rates; and, (2) the Fund for Special Operations (FSO), which provides financing on concessional terms to the region's poorest nations.

No request is being made for the IDB or FSO in 2004.

The Inter-American Investment Corporation (IIC), established in 1984, is a member of the Inter-American Development Bank Group, whose purpose is to promote development of private small and medium sized enterprises (SMEs) in Latin America and the Caribbean. It is a legally autonomous entity whose resources and management are separate from those of the Inter-American Development Bank itself. Through direct loans and equity investments in SMEs as well as through lending to private financial intermediaries, the IIC helps SMEs in the region to access the medium/long-term capital necessary to start-up, expand, or modernize their operations.

During 2002, the IIC approved 20 projects totaling \$123 million. Since its inception, the IIC has approved 283 projects

for a total amount of \$1.5 billion. Of these, 113 projects, representing \$393 million, remain active.

The 2004 request includes budget authority of \$25 million for paid-in subscription for the fifth and final payment and \$5.9 million for a portion of arrears to the IIC.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended, \$151,921,405, to remain available until expended.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-0076-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.02 Asian development fund	98	147	152
10.00 Total new obligations (object class 33.0)	98	147	152
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	748	748	748
22.00 New budget authority (gross)	98	147	152
23.90 Total budgetary resources available for obligation	846	895	900
23.95 Total new obligations	-98	-147	-152
24.40 Unobligated balance carried forward, end of year	748	748	748
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	98	147	152
Change in obligated balances:			
72.40 Obligated balance, start of year	460	347	262
73.10 Total new obligations	98	147	152
73.20 Total outlays (gross)	-212	-232	-185
74.40 Obligated balance, end of year	347	262	229
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		71	26
86.93 Outlays from discretionary balances	212	161	159
87.00 Total outlays (gross)	212	232	185
Net budget authority and outlays:			
89.00 Budget authority	98	147	152
90.00 Outlays	212	232	185

The Asian Development Bank (ADB) fosters broad-based sustainable economic growth and development, poverty alleviation, and cooperation in the Asia/Pacific region. The ADB has two main financing windows: (i) the ordinary capital window and (ii) the Asian Development Fund (ADF) which lends at concessional rates to the region's poorest nations.

ADF resources are derived in part from donor contributions through periodic "replenishments." In the most recent replenishment, ADF-8, the United States successfully negotiated a comprehensive package of policy reforms while maintaining our contribution at \$412 million over four years.

ADF-8 put in place, for the first time, a system to allocate ADF resources based on the performance of borrowing countries. This includes performance on fiscal measures and good governance, as well as performance in managing the portfolio. Agreement was also reached on internal changes, including establishment of a Board committee on development effectiveness and a commitment to strengthen the Bank's internal controls.

In 2002, the Bank lent \$3.9 billion of its ordinary capital resources and extended loans and grants of \$1.7 billion from ADF and TA resources for development projects. Since its founding in 1966, the ADB has committed over \$69 billion,

General and special funds—Continued

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND—Continued

and the ADF has committed \$27 billion. In addition, the ADB has made cumulative private sector loans and equity investments of over \$2 billion.

In 2000, the U.S. made the final payment to the ADB's fourth general capital increase. No request is being made for ADB in 2004.

The 2004 request for the ADF is for \$103 million in budget authority for our third scheduled contribution under ADF-8 and \$48.9 million to clear a portion of arrears.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

For payment to the African Development Bank by the Secretary of the Treasury, \$5,104,930, for the United States paid-in share of the increase in capital stock, to remain available until expended.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the African Development Fund, \$118,080,826, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the African Development Bank may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed \$79,609,817.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-0079-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Fund	100	118	118
00.02 Ordinary Capital	5	5	5
10.00 Total new obligations (object class 33.0)	105	123	123
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	105	123	123
23.95 Total new obligations	-105	-123	-123
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	105	123	123
Change in obligated balances:			
72.40 Obligated balance, start of year	416	411	409
73.10 Total new obligations	105	123	123
73.20 Total outlays (gross)	-110	-125	-130
74.40 Obligated balance, end of year	411	409	402
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	7	22	22
86.93 Outlays from discretionary balances	103	103	108
87.00 Total outlays (gross)	110	125	130
Net budget authority and outlays:			
89.00 Budget authority	105	123	123
90.00 Outlays	110	125	130

The African Development Bank group is composed of (i) the African Development Bank (AFDB), which lends at prevailing rates, and (ii) the African Development Fund (AFDF), which provides grants and concessional loans to the poorest African countries. In 2002, the AFDB approved 31 new projects amounting to about \$1.5 billion. Since its inception in 1963, the AFDB has financed 906 projects amounting to about \$26.8 billion.

The African Development Fund approved \$1.3 billion for 85 projects in 2002. Since its inception in 1974, cumulative

AFDF lending totals an estimated \$17.8 billion for 1,770 development projects.

The 2004 request for the African Development Bank Group includes \$123.2 million in budget authority and \$79.6 million in program limitations on callable capital subscriptions. The budget authority request consists of \$5.1 million in paid-in capital for the fifth installment on the U.S. share of the AFDB's fifth capital increase; \$79.6 million in program limitations on callable capital; and \$118 million for the second of three equal installments on the U.S. share of the AFDF-9 replenishment covering the period 2003-2005. In September 2002, the U.S. and other donor countries reached agreement on the ninth replenishment of the AfDF (AfDF-9) that will cover CY 2002-2004. The U.S. exercised leadership under AfDF-9 in attaining a substantial increase in grant funding from the existing level of 7.5% to 18-21% of available resources. This replenishment lays out four broad policy objectives: (1) greater selectivity and focus in Fund operations; (2) enhanced development effectiveness and measurable results; (3) improved linkages between lending and performance; and (4) deepened coordination with other development entities. In addition, we seek budget authority of \$85,756 to clear a portion of U.S. arrears to the African Development Bank Group.

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, \$35,431,111, for the United States share of the paid-in portion of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$122,085,497.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-0088-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity	36	36	35
10.00 Total new obligations (object class 33.0)	36	36	35
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	36	36	35
23.95 Total new obligations	-36	-36	-35
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	36	36	35
Change in obligated balances:			
72.40 Obligated balance, start of year	43	43	43
73.10 Total new obligations	36	36	35
73.20 Total outlays (gross)	-36	-36	-35
74.40 Obligated balance, end of year	43	43	43
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	19	19	18
86.93 Outlays from discretionary balances	17	17	17
87.00 Total outlays (gross)	36	36	35
Net budget authority and outlays:			
89.00 Budget authority	36	36	35
90.00 Outlays	36	36	35

The European Bank for Reconstruction and Development (EBRD) supports market-oriented economic reform and democratic pluralism through predominately private sector lending and investments in the nations of Central and Eastern Europe and the former Soviet Union. Nearly eighty percent of projects approved in 2001 were in the private sector. The United States and other shareholders signed the articles of agreement of the EBRD on May 29, 1990, and the Bank officially began operating on April 15, 1991.

In April 1996, shareholders approved a doubling of EBRD's capital base from EUR 10 billion to EUR 20 billion (approximately \$24 billion) which went into effect in April 1997. The annual payment for the U.S.'s ten percent share is \$35.8 million payable over a period of 8 years. As of the end of third quarter 2002, the EBRD had a portfolio of over 800 projects with a total value of \$21 billion.

The 2004 request consists of \$35.4 million in budget authority for paid-in capital and \$122.1 million in program limitations for callable capital for the seventh of eight installments on the U.S. subscription to the general capital increase.

NORTH AMERICAN DEVELOPMENT BANK

Program and Financing (in millions of dollars)

Identification code 11-1008-0-1-151	2002 actual	2003 est.	2004 est.
Change in obligated balances:			
72.40 Obligated balance, start of year	51	51	40
73.20 Total outlays (gross)	-11	-11	-11
74.40 Obligated balance, end of year	51	40	29
Outlays (gross), detail:			
86.93 Outlays from discretionary balances		11	11
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays		11	11

The North American Development Bank (NADBank) provides financing for environmental infrastructure projects in the U.S.-Mexico border region and, more broadly in the United States and Mexico for NAFTA-related community adjustments and investment. Under NADBank's charter, the U.S. and Mexico contributed equally to NADBank's capital—\$450 million in paid-in capital and \$2.55 billion in callable capital. The final U.S. installment was appropriated in 1998, and there is no paid-in request for 2004.

The NADBank finances environmental infrastructure projects that have been certified by the U.S.-Mexico Border Environmental Commission (BECC), an institution designed to assist states and local communities in coordinating border clean-up. As of December 2002, the NADBank had approved \$49.1 million in loans for 14 projects and \$15.5 million in grants for technical assistance and project construction. It has also administered \$423.6 million in EPA-funded grants to 45 projects in Mexico and the United States. The total investment value of all the projects to which it provides funding is approximately \$1.5 billion.

In March 2002, President Bush and President Fox agreed to a set of proposals to improve the performance of NADBank and BECC in fulfilling their missions. These include measures to improve the affordability of NADBank financing, expand the geographic area of operations in Mexico, create a single Board of Directors for both institutions, and conduct a review of the project cycle. The Administration is seeking congressional authorizations necessary to implement several of these reforms.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the fund, \$32,614,172, to remain available until expended. (22 U.S.C. 283z-9.)

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-0089-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity		30	33
10.00 Total new obligations (object class 33.0)		30	33
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		30	33
23.95 Total new obligations		-30	-33
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation		30	33
Change in obligated balances:			
72.40 Obligated balance, start of year	256	197	109
73.10 Total new obligations		30	33
73.20 Total outlays (gross)	-60	-118	-75
74.40 Obligated balance, end of year	197	109	67
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		8	8
86.93 Outlays from discretionary balances	60	110	67
87.00 Total outlays (gross)	60	118	75
Net budget authority and outlays:			
89.00 Budget authority		30	33
90.00 Outlays	60	118	75

The Multilateral Investment Fund (MIF), administered by the Inter-American Development Bank, provides grants and loans to support private-sector development and finance and labor sector reforms in Latin America and the Caribbean. Special consideration is given to reforms that encourage private foreign direct investment and promote privatization. Grants and loans are used for technical assistance to identify and resolve investment constraints, for investment in human capital, and for business infrastructure and development. Since its inception in 1992, the MIF has approved 521 projects, of which the MIF contribution totaled \$800 million.

The U.S. made a commitment to the MIF in 1992 amounting to \$500 million. For 2004, \$32.6 million is requested to clear a portion of arrears.

CONTRIBUTION TO THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

For the United States contribution by the Secretary of the Treasury to increase the resources of the International Fund for Agricultural Development, \$15,004,042, to remain available until expended.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-1039-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity	20	15	15
10.00 Total new obligations (object class 33.0)	20	15	15

General and special funds—Continued**CONTRIBUTION TO THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 11-1039-0-1-151	2002 actual	2003 est.	2004 est.
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	20	15	15
23.95 Total new obligations	-20	-15	-15
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	20	15	15
Change in obligated balances:			
72.40 Obligated balance, start of year		15	19
73.10 Total new obligations	20	15	15
73.20 Total outlays (gross)	-5	-11	-12
74.40 Obligated balance, end of year	15	19	22
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	5	4	4
86.93 Outlays from discretionary balances		7	8
87.00 Total outlays (gross)	5	11	12
Net budget authority and outlays:			
89.00 Budget authority	20	15	15
90.00 Outlays	5	11	12

The International Fund for Agricultural Development (IFAD) was established in 1977 as a multilateral financial institution focused on promoting rural agricultural development in poorer countries. IFAD's specific mandate is to assist small-scale producers and subsistence farmers to increase their productivity and incomes, improve their nutritional levels, and help integrate them into larger markets.

The 2004 request is for \$15,004,042, of which \$15 million is for our first scheduled contribution under IFAD's 6th replenishment (IFAD-VI) and \$4,042 is to clear a portion of U.S. arrears. We will seek congressional authorization to contribute a total of \$45 million under IFAD-VI which includes a number of key policy reforms advocated by the U.S.: creation of a performance-based allocation system; an increase in grants; improvements in measuring project results; and establishment of an independent evaluation function.

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

For necessary expenses to carry out the provisions of section 129 of the Foreign Assistance Act of 1961 (relating to international affairs technical assistance activities), \$14,000,000, to remain available until expended, which shall be available notwithstanding any other provision of law.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-1045-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 New Obligations	26	22	22
09.01 Reimbursable program	6		
10.00 Total new obligations	32	22	22
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	26	33	21
22.00 New budget authority (gross)	34	10	14
22.10 Resources available from recoveries of prior year obligations	3		
22.22 Unobligated balance transferred from other accounts	4		
23.90 Total budgetary resources available for obligation	67	43	35

23.95 Total new obligations	-32	-22	-22
24.40 Unobligated balance carried forward, end of year	33	21	13

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	7	10	14
42.00 Transferred from other accounts	21		
43.00 Appropriation (total discretionary)	28	10	14
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	6		
70.00 Total new budget authority (gross)	34	10	14

Change in obligated balances:

72.40 Obligated balance, start of year	20	24	21
73.10 Total new obligations	32	22	22
73.20 Total outlays (gross)	-25	-23	-23
73.45 Recoveries of prior year obligations	-3		
74.40 Obligated balance, end of year	24	21	20

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	6		1
86.93 Outlays from discretionary balances	19	23	22
87.00 Total outlays (gross)	25	23	23

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-4		
88.40 Non-Federal sources	-2		
88.90 Total, offsetting collections (cash)	-6		

Net budget authority and outlays:

89.00 Budget authority	28	10	14
90.00 Outlays	19	23	23

This account will provide technical assistance to other countries in support of the responsibilities of the U.S. Treasury Department to formulate, conduct and coordinate the international financial policies of the United States. The Treasury Department frequently has the lead responsibility for implementing fiscal and financial policy aspects of U.S. foreign policy toward individual countries. Technical assistance provided through this account will facilitate key short- and medium-term reforms in the policy and management areas of budget, tax, government debt, financial institutions and financial crimes enforcement.

Using funding provided under the SEED and FREEDOM Support Acts, U.S. Treasury Department advisors have provided policy and management advice in the areas described above to countries in Eastern Europe and the former Soviet Union in their transition to market economies and democratic political structures. Since 1997, Treasury has also provided assistance, using funding from USAID Development Assistance and the Economic Support Fund, to more than 23 governments on a global basis. The flexibility provided by direct funding permits the Department to be responsive when governments make decisions to implement key fiscal and financial reforms, and allows it to act quickly to help select governments strengthen governmental fiscal and financial institutions during crucial transition periods toward market-oriented economies. In addition, Treasury technical assistance is increasingly being deployed in post-conflict situations.

The proposed \$14 million appropriation will fund resident advisors, including program related administrative costs and intermittent experts in support of the resident advisors. This appropriation will permit continuation of the program in countries outside Central and Eastern Europe and the Former Soviet Union, including implementation of programs in Asia, Africa, and Central and Latin America, as well as continued technical assistance in anti-terrorism. The Treasury Department will continue to coordinate activities with international financial institutions and with USAID, the Department of State and other relevant U.S. Government agencies when de-

termining where its technical assistance program can have the greatest positive impact.

Object Classification (in millions of dollars)

Identification code 11-1045-0-1-151	2002 actual	2003 est.	2004 est.
Direct obligations:			
21.0 Travel and transportation of persons	5	2	2
25.1 Advisory and assistance services	21	20	20
99.0 Direct obligations	26	22	22
99.0 Reimbursable obligations	6		
99.9 Total new obligations	32	22	22

GLOBAL FUND TO FIGHT HIV/AIDS, MALARIA, AND TUBERCULOSIS

Program and Financing (in millions of dollars)

Identification code 72-1028-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	100		
10.00 Total new obligations (object class 41.0)	100		
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	100		
23.95 Total new obligations	-100		
New budget authority (gross), detail:			
Discretionary:			
42.00 Transferred from other accounts	100		
Change in obligated balances:			
73.10 Total new obligations	100		
73.20 Total outlays (gross)	-100		
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	100		
Net budget authority and outlays:			
89.00 Budget authority	100		
90.00 Outlays	100		

The Global Fund to Fight HIV/AIDS, Malaria, and TB account exists to obligate and disburse U.S. contributions to the new Global Fund to fight AIDS, TB and Malaria (GFATM) that come from appropriations within the Department of Health and Human Services. The Fund's creation became a 2002 Presidential Initiative after being called for by the U.N. Secretary General in April 2001. Declarations and financial commitments were issued prior to, during and after the groundbreaking UN General Assembly Special Session on HIV/AIDS in June 2001 and at the G8 Summit in Genoa in July 2001.

The purpose of GFATM is to attract, manage, and disburse additional resources through a new public-private partnership that will make a sustainable and significant contribution to the reduction of infections, illness and death, thereby mitigating the impact caused by HIV/AIDS, tuberculosis and malaria in countries in need. The Fund will pursue an integrated and balanced approach covering prevention, treatment, and care and support in dealing with these three diseases. The Fund will seek to establish a simplified, rapid, innovative process with efficient and effective disbursement mechanisms, minimizing transaction costs and operating in a transparent and accountable manner based on clearly defined responsibilities. The Fund will make use of existing international mechanisms and health plans.

Approximately \$2.2 billion has been committed to the Fund thus far from industrialized and developing country governments, corporations, foundations, and private individual contributions. The U.S. Government has appropriated a total of up to \$300 million in 2001 and 2002, proposed to contribute

an additional \$200 million in 2003, and proposes another \$200 million in 2004, \$100 million of which is proposed to be appropriated within the National Institutes of Allergy and Infectious Diseases (NIAID) Account and \$100 million within USAID's Child Survival and Health Account.

CONTRIBUTION FOR THE EBRD SMALL AND MEDIUM ENTERPRISE SUPPORT FUND

Program and Financing (in millions of dollars)

Identification code 11-0092-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity	17	3	
10.00 Total new obligations (object class 33.0)	17	3	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	10	3	
22.00 New budget authority (gross)	10		
23.90 Total budgetary resources available for obligation	20	3	
23.95 Total new obligations	-17	-3	
24.40 Unobligated balance carried forward, end of year	3		
New budget authority (gross), detail:			
Discretionary:			
42.00 Transferred from other accounts	10		
43.00 Appropriation (total discretionary)	10		
Change in obligated balances:			
73.10 Total new obligations	17	3	
73.20 Total outlays (gross)	-17	-3	
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	7		
86.93 Outlays from discretionary balances	10	3	
87.00 Total outlays (gross)	17	3	
Net budget authority and outlays:			
89.00 Budget authority	10		
90.00 Outlays	17	3	

In July 2000, the United States established a fund at the European Bank for Reconstruction and Development (EBRD) to support Small and Medium Enterprise (SME) financing through technical assistance to local financial institutions and credit lines for on-lending to SMEs. An allocation of \$10 million was provided to the EBRD from 2000 Support for Eastern European Democracies Act (SEED Act) funding, \$11 million (including \$1 million allocated specifically for Serbia) from 2001 SEED Act, and \$5 million from 2002 SEED Act funding to support countries in Southeast Europe. In 2002, the Administration expanded the program to Freedom Support Act countries and provided \$2 million from 2002 FSA funding to support SME programs in Kyrgyzstan and Georgia through this account. In addition, \$3.1 million in FSA Funding was provided by USAID directly to the SME Fund at the EBRD to support programs in Kazakhstan, Kyrgyzstan, and Ukraine. The Administration also provided \$3 million in 2002 FSA funds to support the Russian Small Business Fund at the EBRD.

Three main activities will be supported under this program: (1) providing debt finance to SMEs by on-lending through eligible banks; (2) providing technical assistance to promote sound business practices and good governance at participating banks; and (3) providing technical assistance to identify legal, regulatory, and policy impediments and improving the operating environment for SMEs.

General and special funds—Continued

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, \$314,550,000.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 72-1005-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
01.01 Direct Program Activities	300	310	315
10.00 Total new obligations (object class 41.0)	300	310	315
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	295	310	315
22.10 Resources available from recoveries of prior year obligations	5		
23.90 Total budgetary resources available for obligation	300	310	315
23.95 Total new obligations	-300	-310	-315
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	209	310	315
41.00 Transferred to other accounts	-34		
42.00 Transferred from other accounts	120		
43.00 Appropriation (total discretionary)	295	310	315
Change in obligated balances:			
72.40 Obligated balance, start of year	25	21	15
73.10 Total new obligations	300	310	315
73.20 Total outlays (gross)	-299	-316	-315
73.40 Adjustments in expired accounts (net)	-2		
73.45 Recoveries of prior year obligations	-5		
74.10 Change in uncollected customer payments from Federal sources (expired)	2		
74.40 Obligated balance, end of year	21	15	15
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	277	288	293
86.93 Outlays from discretionary balances	22	28	22
87.00 Total outlays (gross)	299	316	315
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	2		
Against gross budget authority only:			
88.96 Portion of offsetting collections (cash) credited to expired accounts	-2		
Net budget authority and outlays:			
89.00 Budget authority	295	310	315
90.00 Outlays	299	316	315

In addition to its assessed payments, the United States contributes to voluntary funds of many international organizations and programs involved in a wide range of sustainable development, humanitarian, and scientific activities. The 2004 request includes \$120 million for the UN Children's Fund.

Credit accounts:

DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts owed to the United States as a result of concessional loans made to eligible countries, pursuant to parts IV and V of the Foreign

Assistance Act of 1961, and of modifying concessional credit agreements with least developed countries, as authorized under section 411 of the Agricultural Trade Development and Assistance Act of 1954, as amended, and concessional loans, guarantees and credit agreements, as authorized under section 572 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 (Public Law 100-461), and of canceling amounts owed, as a result of loans or guarantees made pursuant to the Export-Import Bank Act of 1945, by countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106-113, \$395,000,000, to remain available until expended: Provided, That not less than \$20,000,000 of the funds appropriated under this heading shall be made available to carry out the provisions of part V of the Foreign Assistance Act of 1961: Provided further, \$75,000,000 of the funds appropriated under this heading may be used by the Secretary of the Treasury to pay to the Heavily Indebted Poor Countries (HIPC) Trust Fund administered by the International Bank for Reconstruction and Development amounts for the benefit of countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106113: Provided further, That amounts paid to the HIPC Trust Fund may be used only to fund debt reduction under the enhanced HIPC initiative by-

- (1) the Inter-American Development Bank;
- (2) the African Development Fund;
- (3) the African Development Bank; and
- (4) the Central American Bank for Economic Integration:

Provided further, That funds may not be paid to the HIPC Trust Fund for the benefit of any country if the Secretary of State has credible evidence that the government of such country is engaged in a consistent pattern of gross violations of internationally recognized human rights or in military or civil conflict that undermines its ability to develop and implement measures to alleviate poverty and to devote adequate human and financial resources to that end: Provided further, That on the basis of final appropriations, the Secretary of the Treasury shall consult with the Committees on Appropriations concerning which countries and international financial institutions are expected to benefit from a United States contribution to the HIPC Trust Fund during the fiscal year: Provided further, That the Secretary of the Treasury shall inform the Committees on Appropriations not less than 15 days in advance of the signature of an agreement by the United States to make payments to the HIPC Trust Fund of amounts for such countries and institutions: Provided further, That the Secretary of the Treasury may disburse funds designated for debt reduction through the HIPC Trust Fund only for the benefit of countries that—

(a) have committed, for a period of 24 months, not to accept new market rate loans from the international financial institution receiving debt repayment as a result of such disbursement, other than loans made by such institution to export-oriented commercial projects that generate foreign exchange which are generally referred to as 'enclave' loans; and

(b) have documented and demonstrated their commitment to redirect their budgetary resources from international debt repayments to programs to alleviate poverty and promote economic growth that are additional to or expand upon those previously available for such purposes:

Provided further, That any limitation of subsection (e) of section 411 of the Agricultural Trade Development and Assistance Act of 1954 shall not apply to funds appropriated under this heading: Provided further, That none of the funds made available under this heading in this or any other appropriations Acts shall be made available for Sudan or Burma unless the Secretary of Treasury determines and notifies the Committees on Appropriations that a democratically elected government has taken office.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 11-0091-0-1-151	2002 actual	2003 est.	2004 est.
0101 Debt restructuring, downward reestimates of subsidies			4

Program and Financing (in millions of dollars)

Identification code 11-0091-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.05 Upward reestimate (DSCA)		2	
01.01 Bilateral Debt Reduction	55	62	300
01.02 HIPC Trust Fund	402	75	75
01.03 Tropical Forest Conservation Initiative	11	6	20
01.05 Foreign Credit Reporting System	1	1	
01.91 Direct Program by Activities—Subtotal (1 level)	469	144	395
10.00 Total new obligations (object class 41.0)	469	146	395
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	347	144	
22.00 New budget authority (gross)	251	2	395
22.22 Unobligated balance transferred from other accounts	14		
23.90 Total budgetary resources available for obligation	612	146	395
23.95 Total new obligations	-469	-146	-395
24.40 Unobligated balance carried forward, end of year	144		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	229		395
42.00 Transferred from other accounts	22		
43.00 Appropriation (total discretionary)	251		395
Mandatory:			
60.00 Appropriation		2	
70.00 Total new budget authority (gross)	251	2	395
Change in obligated balances:			
72.40 Obligated balance, start of year	92	302	222
73.10 Total new obligations	469	146	395
73.20 Total outlays (gross)	-259	-226	-333
74.40 Obligated balance, end of year	302	222	284
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	22		138
86.93 Outlays from discretionary balances	237	224	195
86.97 Outlays from new mandatory authority		2	
87.00 Total outlays (gross)	259	226	333
Net budget authority and outlays:			
89.00 Budget authority	251	2	395
90.00 Outlays	259	226	333

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 11-0091-0-1-151	2002 actual	2003 est.	2004 est.
Direct loan subsidy budget authority:			
133001 Subsidy budget authority—Export-Import Bank	47	20	165
133002 Subsidy budget authority—U.S. Agency for International Development	11	20	27
133003 Subsidy budget authority—U.S. Department of Agriculture	8	33	67
133004 Subsidy budget authority—Defense Security Cooperation Agency			33
133901 Total subsidy budget authority	66	73	292
Direct loan subsidy outlays:			
134001 Subsidy outlays to the Export-Import Bank	47	20	165
134002 Subsidy outlays to the U.S. Agency for International Development	11	20	27
134003 Subsidy outlays to the U.S. Department of Agriculture	8	33	67
134004 Subsidy outlays to the Defense Security Cooperation Agency			33
134901 Total subsidy outlays	66	73	292
Direct loan upward reestimate subsidy budget authority:			
135004 Upward reestimates subsidy budget authority DSCA		2	
135901 Total upward reestimate budget authority		2	
Direct loan upward reestimate subsidy outlays:			
136004 Upward reestimates subsidy outlays—DSCA		2	
136901 Total upward reestimate outlays		2	
Direct loan downward reestimate subsidy budget authority:			
137002 Downward reestimates subsidy budget authority USAID		-4	

137901 Total downward reestimate budget authority	-4
Direct loan downward reestimate subsidy outlays:	
138002 Downward reestimates subsidy outlays—USAID	-4
138901 Total downward reestimate subsidy outlays	-4

Debt Reduction for the Poorest.—For the poorest countries, debt reduction provides an incentive to implement macroeconomic and structural reforms necessary to improve economic performance and creditworthiness. Debt relief, economic reform and poverty reduction contribute to economic growth and social development, which can mean expanded opportunities for trade and investment for the United States. For the poorest and most heavily indebted countries, the United States will continue support for the Paris Club of official creditors and provide additional relief complementary to the enhanced Heavily Indebted Poor Country (HIPC) Initiative.

To support this initiative, the Administration requests \$75 million to fund a portion of the U.S. pledge of \$150 million to help meet the additional financing needs of the HIPC Trust Fund. The U.S. pledge supports the President's commitment at the 2002 G-8 Summit in Kananaskis, Canada to fund a share of the HIPC financing shortfall. In addition, the Administration requests \$300 million to fund bilateral HIPC debt reduction for the Democratic Republic of the Congo. The HIPC Trust Fund, administered by the World Bank, helps regional development banks and other multilateral institutions meet their costs of debt relief. The Administration expects that the U.S. contribution to the HIPC Trust Fund will continue to leverage contributions from other creditors.

Tropical Forest Debt Relief. The Tropical Forest Conservation Act (TFCA) received strong bipartisan support and was signed into law by the President in July 1998. Modeled after the very successful Enterprise for the Americas Initiative (EAI), P.L. 105-214 allows the Administration to reduce outstanding concessional USAID and PL-480 debt stocks to support conservation of the endangered tropical forests and promote economic reforms in eligible countries. Debt relief or buybacks in eligible countries will leverage payment of local currency resources into funds to support programs to conserve their tropical forests. TFCA debt reduction agreements have been concluded with five countries: Bangladesh, Belize, El Salvador, Peru and the Philippines. In total, these countries will save over \$62 million in hard currency payments as a result of these agreements to swap external debt for forest conservation. To support this program, the Administration requests \$20 million for the Treasury Debt Restructuring account.

AGENCY FOR INTERNATIONAL
DEVELOPMENT

Federal Funds

General and special funds:

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 2004, unless otherwise specified herein, as follows:

DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of sections 103, 105 and 106, and chapter 10 of part I of the Foreign Assistance Act of 1961, \$1,345,000,000, to remain available until September 30, 2005.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

General and special funds—Continued**DEVELOPMENT ASSISTANCE—Continued****Program and Financing (in millions of dollars)**

Identification code 72-1021-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Functional development assistance	1,176	1,500	1,324
09.00 Reimbursable program	9		
10.00 Total new obligations	1,185	1,500	1,324
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	143	149	
22.00 New budget authority (gross)	1,160	1,366	1,324
22.10 Resources available from recoveries of prior year obligations	33		
22.21 Unobligated balance transferred to other accounts	-1	-15	
23.90 Total budgetary resources available for obligation	1,335	1,500	1,324
23.95 Total new obligations	-1,185	-1,500	-1,324
23.98 Unobligated balance expiring or withdrawn	-3		
24.40 Unobligated balance carried forward, end of year	149		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	1,178	1,366	1,345
40.35 Appropriation rescinded	-17		
41.00 Transferred to other accounts	-11		-21
43.00 Appropriation (total discretionary)	1,150	1,366	1,324
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	9		
68.10 Change in uncollected customer payments from Federal sources (unexpired)	1		
68.90 Spending authority from offsetting collections (total discretionary)	10		
70.00 Total new budget authority (gross)	1,160	1,366	1,324
Change in obligated balances:			
72.40 Obligated balance, start of year	2,364	2,308	2,491
73.10 Total new obligations	1,185	1,500	1,324
73.20 Total outlays (gross)	-1,209	-1,317	-1,425
73.45 Recoveries of prior year obligations	-33		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-1		
74.40 Obligated balance, end of year	2,308	2,491	2,390
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	58	137	132
86.93 Outlays from discretionary balances	1,151	1,180	1,293
87.00 Total outlays (gross)	1,209	1,317	1,425
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-9		
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-1		
Net budget authority and outlays:			
89.00 Budget authority	1,150	1,366	1,324
90.00 Outlays	1,200	1,317	1,425

Development Assistance Programs.—This account supports Agency efforts to address the manifestations and causes of poverty and underdevelopment overseas. This is accomplished through three strategic areas of emphasis or pillars: the Global Development Alliance, and two program pillars; Economic Growth, Agriculture and Trade; and Democracy, Conflict and Humanitarian Assistance.

• The Global Development Alliance (GDA) is USAID's emerging business model and the first pillar of its strategic approach. It uses public-private alliances to address global poverty, disease, hunger, economic growth, education, environment, and population issues. The approach is built on the 21st century realities of limited official development assistance resources from the public sector, and significant and

growing resources and involvement in international development activities by the private sector and civil society. All alliances are funded and managed by the USAID mission or technical or regional bureau where they operate. Increasingly, USAID is programming alliances through normal bilateral programs.

• Economic Growth, Agriculture and Trade subsumes efforts to increase agricultural production and food security, to foster human resource development including improved and expanded access to quality basic education especially for girls and women, to expand access to micro-credit, improve the business trade, and investment climate in developing countries through the expansion and strengthening of critical private markets, and to protect the environment.

• Democracy, Conflict and Humanitarian Assistance programs support the USG response to international disasters, help emerging countries cope with the transition from crisis to development, and support the growth of democracy through programs that strengthen the rule of law and respect for human rights, encourage credible and competitive political processes, promote the development of a politically active civil society, and encourage more transparent and accountable government institutions.

The Administration's request also includes funding designed to leverage the resources of non-governmental organizations, the private sector, and other donors to achieve a much greater level of impact in these areas than is possible with the limited USAID resources alone.

The request also assumes reduced restrictions on sub-account appropriations to reflect a more realistic set of activities and to more directly relate sectoral priorities to field programs.

This account includes programs to help cover extraordinary needs in Afghanistan and a major increase in basic education programs, including full funding of the President's Africa Education Initiative.

Object Classification (in millions of dollars)

Identification code 72-1021-0-1-151	2002 actual	2003 est.	2004 est.
Direct obligations:			
21.0 Travel and transportation of persons	2	2	2
22.0 Transportation of things	3	4	3
25.1 Advisory and assistance services	20	25	22
25.2 Other services	80	100	85
26.0 Supplies and materials	8	9	8
41.0 Grants, subsidies, and contributions	1,063	1,360	1,204
99.0 Direct obligations	1,176	1,500	1,324
99.0 Reimbursable obligations	9		
99.9 Total new obligations	1,185	1,500	1,324

CHILD SURVIVAL AND HEALTH PROGRAMS FUND

For necessary expenses to carry out chapters 1 and 10 of part I of the Foreign Assistance Act of 1961, for child survival, reproductive health/family planning, assistance to combat tropical and other infectious diseases, and related activities, in addition to funds otherwise available for such purposes, \$1,495,000,000, to remain available until expended: Provided, That this amounts shall be made available for such activities as: (1) immunization programs; (2) oral rehydration programs; (3) health, nutrition, water and sanitation programs, and related education programs, which directly address the needs of mothers and children; (4) assistance for displaced and orphaned children; (5) programs for the prevention, treatment, and control of, and research on, tuberculosis, HIV/AIDS, polio, malaria) and other infectious diseases; and (6) family planning/reproductive health: Provided further, That none of the funds appropriated under this heading may be made available for nonproject assistance, except that funds may be made available for such assistance for ongoing health programs: Provided further, That of the funds appropriated under this heading, up to \$100,000,000 may be made available for a United States contribution to the Global Fund to Fight AIDS, Tuberculosis and Ma-

laria, and shall be expended at the minimum rate necessary to make timely payments for projects and activities: Provided further, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: Provided further, That none of the funds made available under this Act may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions: Provided further, That none of the funds made available under this Act may be used to lobby for or against abortion: Provided further, That in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services, and that any such voluntary family planning project shall meet the following requirements: (1) service providers or referral agents in the project shall not implement or be subject to quotas, or other numerical targets, of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning (this provision shall not be construed to include the use of quantitative estimates or indicators for budgeting and planning purposes); (2) the project shall not include payment of incentives, bribes, gratuities, or financial reward to: (A) an individual in exchange for becoming a family planning acceptor; or (B) program personnel for achieving a numerical target or quota of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning; (3) the project shall not deny any right or benefit, including the right of access to participate in any program of general welfare or the right of access to health care, as a consequence of any individual's decision not to accept family planning services; (4) the project shall provide family planning acceptors comprehensible information on the health benefits and risks of the method chosen, including those conditions that might render the use of the method inadvisable and those adverse side effects known to be consequent to the use of the method; and (5) the project shall ensure that experimental contraceptive drugs and devices and medical procedures are provided only in the context of a scientific study in which participants are advised of potential risks and benefits; and, not less than 60 days after the date on which the Administrator of the United States Agency for International Development determines that there has been a violation of the requirements contained in paragraph (1), (2), (3), or (5) of this proviso, or a pattern or practice of violations of the requirements contained in paragraph (4) of this proviso, the Administrator shall submit to the Committees on Appropriations of the Senate and the House of Representatives, a report containing a description of such violation and the corrective action taken by the Agency: Provided further, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: Provided further, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: Provided further, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)				
Identification code 72-1095-0-1-151	2002 actual	2003 est.	2004 est.	
Obligations by program activity:				
00.01 Direct program	1,422	1,546	1,495	
10.00 Total new obligations	1,422	1,546	1,495	
Budgetary resources available for obligation:				
21.40 Unobligated balance carried forward, start of year	150	72		
22.00 New budget authority (gross)	1,341	1,474	1,495	

22.10 Resources available from recoveries of prior year obligations	3		
23.90 Total budgetary resources available for obligation	1,494	1,546	1,495
23.95 Total new obligations	-1,422	-1,546	-1,495
24.40 Unobligated balance carried forward, end of year	72		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	1,434	1,474	1,495
40.36 Unobligated balance rescinded	-10		
41.00 Transferred to other accounts	-120		
42.00 Transferred from other accounts	34		
43.00 Appropriation (total discretionary)	1,338	1,474	1,495
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	2		
68.10 Change in uncollected customer payments from Federal sources (unexpired)	1		
68.90 Spending authority from offsetting collections (total discretionary)	3		
70.00 Total new budget authority (gross)	1,341	1,474	1,495
Change in obligated balances:			
72.40 Obligated balance, start of year	1,288	1,684	2,038
73.10 Total new obligations	1,422	1,546	1,495
73.20 Total outlays (gross)	-1,022	-1,192	-1,345
73.45 Recoveries of prior year obligations	-3		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-1		
74.40 Obligated balance, end of year	1,684	2,038	2,188
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	240	147	150
86.93 Outlays from discretionary balances	782	1,045	1,195
87.00 Total outlays (gross)	1,022	1,192	1,345
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-2		
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-1		
Net budget authority and outlays:			
89.00 Budget authority	1,338	1,474	1,495
90.00 Outlays	1,020	1,192	1,345

Child Survival and Health Programs include activities that promote family planning/reproductive health, child survival and maternal health, including the primary causes of morbidity and mortality, polio, micronutrients and iodine deficiency as well as activities directed at vulnerable children, reducing HIV transmission and the impact of the HIV/AIDS pandemic in developing countries. Funding is also requested to address the threat of other infectious diseases of major public health importance such as tuberculosis, malaria, and to increase antimicrobial resistance. Funding is also included for the Administration's new initiative in HIV/AIDS-Mother-to-Child Transmission.

Object Classification (in millions of dollars)

Identification code 72-1095-0-1-151	2002 actual	2003 est.	2004 est.
Direct obligations:			
21.0 Travel and transportation of persons	7	8	8
25.2 Other services	100	110	110
41.0 Grants, subsidies, and contributions	1,310	1,428	1,377
99.0 Direct obligations	1,417	1,546	1,495
99.0 Reimbursable obligations	2		
41.0 Allocation Account: Grants, subsidies, and contributions	3		
99.9 Total new obligations	1,422	1,546	1,495

General and special funds—Continued

GLOBAL AIDS INITIATIVE

For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 for the prevention, treatment, and control of, and research on, HIV/AIDS, \$450,000,000, to remain available until expended: Provided, That funds appropriated under this heading may be used for a United States Contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria: Provided further, That funds made available under the heading, "Child Survival and Health Programs," in this Act and funds for international HIV/AIDS programs in other appropriations Act may be transferred to and merged with funds available under this heading.

Program and Financing (in millions of dollars)

Identification code 72-1030-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity			450
10.00 Total new obligations (object class 41.0)			450
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			450
23.95 Total new obligations			-450
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			450
Change in obligated balances:			
73.10 Total new obligations			450
73.20 Total outlays (gross)			-68
74.40 Obligated balance, end of year			382
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			68
Net budget authority and outlays:			
89.00 Budget authority			450
90.00 Outlays			68

In his State of the Union Address on January 29, 2003, President Bush called for a new initiative to enhance the commitment of the United States to preventing the global spread of AIDS and to developing and delivering more effective treatments to the tens of millions of people overseas already infected and threatened with infection. The increased funds over the next five years will go into a new account for global AIDS initiatives. When these funds are added to existing international HIV/AIDS programs—primarily in the Agency for International Development, the Department of Health and Human Services, and the Global Fund to fight AIDS, Tuberculosis and Malaria—the total United States commitment to this global effort will reach \$15 billion over five years.

The President's initiative will be administered by a new AIDS Coordinator in the Department of State. It will be used to fund existing HIV/AIDS programs, such as the Global Fund to Fight AIDS, Tuberculosis and Malaria, and new programs created by the public organizations and private non-governmental organizations, especially faith-based volunteer organizations that are providing local and global communities with strategies to confront the HIV/AIDS pandemic.

DEVELOPMENT FUND FOR AFRICA

Program and Financing (in millions of dollars)

Identification code 72-1014-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program	5	11	
10.00 Total new obligations	5	11	

Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	16	11	
22.00 New budget authority (gross)	-8		
22.10 Resources available from recoveries of prior year obligations		9	
23.90 Total budgetary resources available for obligation	17	11	
23.95 Total new obligations	-5	-11	
24.40 Unobligated balance carried forward, end of year	11		

New budget authority (gross), detail:			
Discretionary:			
40.36 Unobligated balance rescinded	-8		

Change in obligated balances:			
72.40 Obligated balance, start of year	108	44	25
73.10 Total new obligations	5	11	
73.20 Total outlays (gross)	-60	-30	-15
73.45 Recoveries of prior year obligations	-9		
74.40 Obligated balance, end of year	44	25	10

Outlays (gross), detail:			
86.93 Outlays from discretionary balances	60	30	15

Net budget authority and outlays:			
89.00 Budget authority	-8		
90.00 Outlays	60	30	15

For 2004 development assistance to Africa will be requested in the Development Assistance account.

Object Classification (in millions of dollars)

Identification code 72-1014-0-1-151	2002 actual	2003 est.	2004 est.
25.2 Other services		1	
41.0 Grants, subsidies, and contributions	5	10	
99.9 Total new obligations	5	11	

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, \$435,000,000, to remain available until September 30, 2005, which shall be available, notwithstanding any other provision of law, for assistance and for related programs for Eastern Europe and the Baltic States.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

(d) Notwithstanding any provision of this or any other Act, local currencies generated by, or converted from, funds appropriated by this Act and by previous appropriations Acts and made available for the economic revitalization program in Bosnia may be used in Eastern Europe and the Baltic States to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 72-1010-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	496	615	435

10.00	Total new obligations	496	615	435
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	156	120	.....
22.00	New budget authority (gross)	462	495	435
22.10	Resources available from recoveries of prior year obligations	9	.....	.....
22.21	Unobligated balance transferred to other accounts	-11	.....	.....
23.90	Total budgetary resources available for obligation	616	615	435
23.95	Total new obligations	-496	-615	-435
23.98	Unobligated balance expiring or withdrawn	-1	.....	.....
24.40	Unobligated balance carried forward, end of year	120	.....	.....
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	621	495	435
40.36	Unobligated balance rescinded	-9	.....	.....
41.00	Transferred to other accounts	-151	.....	.....
43.00	Appropriation (total discretionary)	461	495	435
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	1	.....	.....
70.00	Total new budget authority (gross)	462	495	435
Change in obligated balances:				
72.40	Obligated balance, start of year	626	597	844
73.10	Total new obligations	496	615	435
73.20	Total outlays (gross)	-515	-368	-413
73.40	Adjustments in expired accounts (net)	-1	.....	.....
73.45	Recoveries of prior year obligations	-9	.....	.....
74.40	Obligated balance, end of year	597	844	866
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	51	53	50
86.93	Outlays from discretionary balances	464	315	363
87.00	Total outlays (gross)	515	368	413
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-1	.....	.....
Net budget authority and outlays:				
89.00	Budget authority	461	495	435
90.00	Outlays	515	368	413

This account provides funds to promote country-specific strategies that build on common, region-wide strategic goals, including economic restructuring, democratic transition, and social stabilization. Authorized Support for Assistance for Eastern Europe and the Baltic States (AEEB) programs concentrate on (a) the development and strengthening of institutions and civic action necessary for sustainable democracy; (b) the development of market economies and a strong private sector; and (c) the improvement of the basic quality of life in selected areas. This interagency program is managed by the AEEB coordinator, who is located in the State Department's Bureau of European and Eurasian Affairs.

AEEB assistance is now focused primarily on Southeast Europe, with the single largest program designed for Serbia. The U.S. is contributing to international efforts toward recovery from the conflict with Milosevic through building effective governance and a functioning economy in the successor states of the former Yugoslavia. While implementation of the Dayton Accords still requires significant, albeit diminishing, support in Bosnia, two wars in the region in recent years have demonstrated the need for a special effort to provide for peaceful cooperation among neighbors. The Stability Pact of Southeast Europe builds on the country programs in the Balkans to help stabilize the region as a whole and prepare for integration into the European and international mainstream. It is anticipated that 2006 will be the last year of AEEB assistance for Bulgaria.

Beginning in 2004, funding for exchange programs in Eastern Europe and the Baltic States will be consolidated into and administered by the State Department bureau of Educational and Cultural Exchange programs.

Object Classification (in millions of dollars)

Identification code 72-1010-0-1-151	2002 actual	2003 est.	2004 est.	
Direct obligations:				
21.0	Travel and transportation of persons	1	2	1
25.1	Advisory and assistance services	40	50	33
25.2	Other services	75	95	65
41.0	Grants, subsidies, and contributions	345	468	336
99.0	Direct obligations	461	615	435
41.0	Allocation Account: Grants, subsidies, and contributions	35	.....	.....
99.9	Total new obligations	496	615	435

ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapters 11 and 12 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the Independent States of the former Soviet Union and for related programs, \$576,000,000, to remain available until September 30, 2005: Provided, That the provisions of such chapters shall apply to funds appropriated by this paragraph: Provided further, That funds made available for the Southern Caucasus region may be used, notwithstanding any other provision of law, for confidence-building measures and other activities in furtherance of the peaceful resolution of the regional conflicts, especially those in the vicinity of Abkhazia and Nagorno-Karabagh.

(b) Section 907 of the FREEDOM Support Act shall not apply to—

(1) activities to support democracy or assistance under title V of the FREEDOM Support Act and section 1424 of Public Law 104-201 or non-proliferation assistance;

(2) any assistance provided by the Trade and Development Agency under section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421);

(3) any activity carried out by a member of the United States and Foreign Commercial Service while acting within his or her official capacity;

(4) any insurance, reinsurance, guarantee or other assistance provided by the Overseas Private Investment Corporation under title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 et seq.);

(5) any financing provided under the Export-Import Bank Act of 1945; or

(6) humanitarian assistance.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 72-1093-0-1-151	2002 actual	2003 est.	2004 est.	
0101	Negative subsidies/subsidy reestimates	34

Program and Financing (in millions of dollars)

Identification code 72-1093-0-1-151	2002 actual	2003 est.	2004 est.	
Obligations by program activity:				
00.01	Direct Program Activity	665	1,017	576
10.00	Total new obligations	665	1,017	576
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	251	262	.....
22.00	New budget authority (gross)	624	755	576
22.10	Resources available from recoveries of prior year obligations	16	.....	.....
22.21	Unobligated balance transferred to other accounts	-24	.....	.....
22.22	Unobligated balance transferred from other accounts	63	.....	.....
23.90	Total budgetary resources available for obligation	930	1,017	576
23.95	Total new obligations	-665	-1,017	-576
23.98	Unobligated balance expiring or withdrawn	-4	.....	.....
24.40	Unobligated balance carried forward, end of year	262	.....	.....

General and special funds—Continued**ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 72-1093-0-1-151	2002 actual	2003 est.	2004 est.
New budget authority (gross), detail:			
Discretionary:			
40.00	894	755	576
40.36	-16		
41.00	-254		
43.00	624	755	576
Change in obligated balances:			
72.40	645	687	1,154
73.10	665	1,017	576
73.20	-600	-550	-614
73.40	-6		
73.45	-16		
74.40	687	1,154	1,116
Outlays (gross), detail:			
86.90	95	68	56
86.93	505	482	558
87.00	600	550	614
Net budget authority and outlays:			
89.00	624	755	576
90.00	600	550	614

This account provides funds for a program of assistance to the independent states that emerged from the former Soviet Union. This request will fund continuing programs of USAID and other agencies in support of economic and democratic transitions.

Collectively, these programs for the Independent States are designed to consolidate the process of political and economic transition to market democracies, and to help address major socioeconomic dislocations where they occur during these transitions. Funds will support economic restructuring by helping to create conditions that encourage: trade and investment and private sector growth; improved government fiscal policy, revenue collection, and financial management; a market-oriented financial sector; and a more efficient energy sector and a cleaner environment. Funds will support democratic transitions by promoting citizen participation, promoting independent media establishing the rule of law, and strengthening local governments.

In 2004, funding for exchange programs in the former Soviet Union will be consolidated into and administered by the State Department bureau of Educational and Cultural Exchange programs. Program resources requested in 2004 will be aimed at: (1) enhancing local public and private institutional capacity as part of the comprehensive strategy to expand trade and investment, develop and strengthen small and medium enterprises, mobilize capital, reduce crime and corruption, and build viable civil societies; (2) mitigating the social impact of transitions in order to broaden public support for needed reforms; and (3) addressing health problems more deliberately. Assistance to central governments will be highly selective.

Funding is requested to encourage front line states of Central Asia, as well as Armenia, Azerbaijan, and Georgia to support the anti-terrorism campaign and address regional stability issues. At the same time, Russia and Ukraine will begin the process of graduation from economic assistance in 2004.

Funding is also requested for programs such as the Civilian Research and Development Foundation and export control and border security enhancements in Georgia. These efforts contribute to economic and infrastructure reforms as well as to reducing risks of proliferation of weapons of mass destruc-

tion, weapons delivery systems, materials, technology and scientific and technical expertise and reduce regional tensions.

Object Classification (in millions of dollars)

Identification code 72-1093-0-1-151	2002 actual	2003 est.	2004 est.
Direct obligations:			
21.0	2	3	2
25.1	20	30	20
25.2	60	94	60
41.0	522	890	494
99.0	604	1,017	576
41.0	61		
99.9	665	1,017	576

SUB-SAHARAN AFRICA DISASTER ASSISTANCE**Program and Financing (in millions of dollars)**

Identification code 72-1040-0-1-151	2002 actual	2003 est.	2004 est.
Budgetary resources available for obligation:			
21.40	1	1	
24.40	1		
Change in obligated balances:			
72.40	4	3	2
73.20	-1	-1	-1
74.40	3	2	1
Outlays (gross), detail:			
86.93	1	1	1
Net budget authority and outlays:			
89.00			
90.00	1	1	1

In 1993, this account provided funding for timely relief, rehabilitation and reconstruction for disasters in Africa. Since 1994, these activities have been funded under the International Disaster Assistance Program.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, \$235,500,000, to remain available until expended.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 72-1035-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01	392	340	236
10.00	392	340	236
Budgetary resources available for obligation:			
21.40	14	54	
22.00	326	286	236
22.10	11		
22.22	96		
23.90	447	340	236
23.95	-392	-340	-236
24.40	54		
New budget authority (gross), detail:			
Discretionary:			
40.00	326	286	236

Change in obligated balances:				
72.40	Obligated balance, start of year	354	329	359
73.10	Total new obligations	392	340	236
73.20	Total outlays (gross)	-407	-309	-301
73.45	Recoveries of prior year obligations	-11		
74.40	Obligated balance, end of year	329	359	294
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	59	71	59
86.93	Outlays from discretionary balances	348	238	242
87.00	Total outlays (gross)	407	309	301
Net budget authority and outlays:				
89.00	Budget authority	326	286	236
90.00	Outlays	407	309	301

The International Disaster Assistance (IDA) account provides funds for the Office of U.S. Foreign Disaster Assistance (OFDA). OFDA manages relief, rehabilitation, and reconstruction assistance to foreign countries struck by natural and man-made disasters and supports disaster prevention, mitigation and preparedness. OFDA's program has been placing increasing emphasis on complex emergencies, a product of ethnic and national tensions leading to civil strife and the displacement of large numbers of people. The \$235.5 million request for OFDA for 2004 will be used to provide relief services and commodities including temporary shelter, blankets, supplementary food, potable water, medical supplies and agricultural rehabilitation aid, including seeds and hand tools. The 2003 request level included \$50 million for extraordinary one-time relief requirements in the West Bank and Gaza.

Object Classification (in millions of dollars)

Identification code 72-1035-0-1-151	2002 actual	2003 est.	2004 est.	
21.0	Travel and transportation of persons	2	2	2
25.2	Other services	58	50	35
41.0	Grants, subsidies, and contributions	332	288	199
99.9	Total new obligations	392	340	236

FAMINE FUND

For necessary expenses for famine relief, mitigation, and prevention pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, \$200,000,000, to remain available until expended.

Program and Financing (in millions of dollars)

Identification code 72-1029-0-1-151	2002 actual	2003 est.	2004 est.	
Obligations by program activity:				
00.01	Direct program activity			200
10.00	Total new obligations (object class 41.0)			200
Budgetary resources available for obligation:				
22.00	New budget authority (gross)			200
23.95	Total new obligations			-200
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation			200
Change in obligated balances:				
73.10	Total new obligations			200
73.20	Total outlays (gross)			-50
74.40	Obligated balance, end of year			150
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority			50
Net budget authority and outlays:				
89.00	Budget authority			200
90.00	Outlays			50

The Famine Fund is a new, flexible tool for the President to use in U.S.-led multilateral efforts to reduce the incidence of famine by addressing its root causes, and to respond more efficiently and effectively to famines that cannot be prevented, while more equitably sharing the burden of this response with other donors. The Fund, which will draw upon the broad disaster assistance authorities in the Foreign Assistance Act, will be managed by USAID under the foreign policy direction of the Secretary of State and subject to approval by the President.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, \$604,100,000.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 72-1000-0-1-151	2002 actual	2003 est.	2004 est.	
Obligations by program activity:				
00.01	Direct program	591	603	598
00.02	Foreign national separation fund	4	2	4
09.00	Reimbursable program	8	6	6
09.01	Reimbursable program from Working Capital Fund (72-4513)			
		2	2	2
10.00	Total new obligations	605	613	610
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	31	34	10
22.00	New budget authority (gross)	575	578	610
22.10	Resources available from recoveries of prior year obligations	18	11	10
22.22	Unobligated balance transferred from other accounts	15		
23.90	Total budgetary resources available for obligation	639	623	630
23.95	Total new obligations	-605	-613	-610
24.40	Unobligated balance carried forward, end of year	34	10	20
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	556	572	604
42.00	Transferred from other accounts	11		
43.00	Appropriation (total discretionary)	567	572	604
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	8	6	6
70.00	Total new budget authority (gross)	575	578	610
Change in obligated balances:				
72.40	Obligated balance, start of year	189	168	212
73.10	Total new obligations	605	613	610
73.20	Total outlays (gross)	-608	-556	-591
73.45	Recoveries of prior year obligations	-18	-11	-10
74.40	Obligated balance, end of year	168	212	221
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	442	429	453
86.93	Outlays from discretionary balances	166	127	138
87.00	Total outlays (gross)	608	556	591
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-8	-6	-6
Net budget authority and outlays:				
89.00	Budget authority	567	572	604
90.00	Outlays	600	550	585
Additional net budget authority and outlays to cover cost of fully accruing retirement:				
99.00	Budget authority	14	14	16
99.01	Outlays	14	14	16

These funds cover the appropriated dollar costs of managing U.S. Agency for International Development (USAID) pro-

General and special funds—Continued

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued

grams, including salaries and other expenses of direct hire personnel as well as costs associated with physical security of Agency personnel. USAID currently maintains resident staff in more than 70 foreign countries as well as a headquarters in Washington, which supports field programs and manages regional and worldwide activities. Included in this account are funds from the Emergency Relief Fund in 2002—\$15 million; and the Further Recovery from and Response to Terrorist Act—\$7 million.

Object Classification (in millions of dollars)

Identification code 72-1000-0-1-151	2002 actual	2003 est.	2004 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	167	173	179
11.3 Other than full-time permanent	2	2	3
11.5 Other personnel compensation	14	14	14
11.8 Special personal services payments	51	53	53
11.9 Total personnel compensation	234	242	249
12.1 Civilian personnel benefits	65	75	80
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	24	24	24
22.0 Transportation of things	9	9	9
23.1 Rental payments to GSA	31	31	34
23.2 Rental payments to others	28	29	29
23.3 Communications, utilities, and miscellaneous charges	8	8	9
24.0 Printing and reproduction	2	1	1
25.1 Advisory and assistance services	7	7	4
25.2 Other services	60	60	57
25.3 Other purchases of goods and services from Government accounts	33	33	34
25.4 Operation and maintenance of facilities	9	9	9
25.7 Operation and maintenance of equipment	29	29	29
26.0 Supplies and materials	9	7	5
31.0 Equipment	35	34	25
32.0 Land and structures	12	7	4
42.0 Insurance claims and indemnities	1	1	1
99.0 Direct obligations	597	607	604
99.0 Reimbursable obligations	8	6	6
99.9 Total new obligations	605	613	610

Personnel Summary

Identification code 72-1000-0-1-151	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	2,193	2,210	2,245
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	6	6	6

CAPITAL INVESTMENT FUND

For necessary expenses for overseas construction and related costs, and for the procurement and enhancement of information technology and related capital investments, pursuant to section 667, \$146,300,000, to remain available until expended: Provided, That this amount is in addition to funds otherwise available for such purposes.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 72-0300-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Information Technology		13	20
00.02 New Construction from Terrorist Response		82	106

10.00 Total new obligations	95	126
Budgetary resources available for obligation:		
22.00 New budget authority (gross)	95	146
23.95 Total new obligations	-95	-126
24.40 Unobligated balance carried forward, end of year		20

New budget authority (gross), detail:		
Discretionary:		
Appropriation:		
40.00 Appropriation	13	20
40.00 Appropriation	82	126
43.00 Appropriation (total discretionary)	95	146

Change in obligated balances:		
72.40 Obligated balance, start of year		83
73.10 Total new obligations	95	126
73.20 Total outlays (gross)	-13	-35
74.40 Obligated balance, end of year		174

Outlays (gross), detail:		
86.90 Outlays from new discretionary authority	13	19
86.93 Outlays from discretionary balances		16
87.00 Total outlays (gross)	13	35

Net budget authority and outlays:		
89.00 Budget authority	95	146
90.00 Outlays	13	35

This account will be established in 2003 for capital investments in information technology (IT)-related capital projects; \$20 million is being requested for this purpose in 2004. Funds from the CIF will only be made available after USAID has demonstrated a successful business case for its IT investments.

In this account, the Administration is also requesting funds for the construction of overseas facilities to be co-located with the Department of State. USAID has fallen behind the Department's construction schedule due to lack of funding, resulting in posts where despite the presence of a new, secure embassy, USAID personnel are still working in facilities that do not meet security standards. The \$126.3 million requested for construction is intended to bring USAID up to date with the Department's schedule by funding USAID facilities at posts where State will have begun construction by the end of 2003. For new projects to begin in 2004, adequate funds are requested in the Department's construction account to accommodate all agencies at post, including USAID.

Object Classification (in millions of dollars)

Identification code 72-0300-0-1-151	2002 actual	2003 est.	2004 est.
23.3 Communications, utilities, and miscellaneous charges		2	4
25.2 Other services		10	6
26.0 Supplies and materials		3	11
31.0 Equipment		12	20
32.0 Land and structures		68	85
99.9 Total new obligations		95	126

TRANSITION INITIATIVES

For necessary expenses for international disaster rehabilitation and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, \$55,000,000, to remain available until expended, to support transition to democracy and to long-term development of countries in crisis: Provided, That such support may include assistance to develop, strengthen, or preserve democratic institutions and processes, revitalize basic infrastructure, and foster the peaceful resolution of conflict.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 72-1027-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	51	60	55
10.00 Total new obligations	51	60	55
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	5	5	.....
22.00 New budget authority (gross)	50	55	55
22.10 Resources available from recoveries of prior year obligations	1	.....	.....
23.90 Total budgetary resources available for obligation	56	60	55
23.95 Total new obligations	-51	-60	-55
24.40 Unobligated balance carried forward, end of year	5	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	50	55	55
Change in obligated balances:			
72.40 Obligated balance, start of year	31	35	53
73.10 Total new obligations	51	60	55
73.20 Total outlays (gross)	-46	-42	-43
73.45 Recoveries of prior year obligations	-1	.....	.....
74.40 Obligated balance, end of year	35	53	65
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	13	14	14
86.93 Outlays from discretionary balances	33	28	29
87.00 Total outlays (gross)	46	42	43
Net budget authority and outlays:			
89.00 Budget authority	50	55	55
90.00 Outlays	46	42	43

The Office of Transition Initiatives (OTI) addresses the opportunities and challenges facing conflict-prone countries and those making the transition from the initial crisis stage of a complex emergency (frequently addressed by the Office of Foreign Disaster Assistance) to the path of sustainable development. OTI collaborates closely with the Department of State, the National Security Council, the Department of Defense, and USAID's regional bureaus in the selection of high foreign policy priority countries for OTI's transition assistance and in the design and monitoring of OTI programs. OTI's efforts to advance peace and stability include support for: demobilization and re-integration of ex-combatants; community self-help programs that reduce tensions and promote grass-roots democratic media; and conflict resolution measures.

Object Classification (in millions of dollars)

Identification code 72-1027-0-1-151	2002 actual	2003 est.	2004 est.
25.2 Other services	5	5	5
41.0 Grants, subsidies, and contributions	46	55	50
99.9 Total new obligations	51	60	55

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, \$43,859,000.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 72-1036-0-1-153	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	45	45	44
10.00 Total new obligations (object class 13.0)	45	45	44
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	45	45	44
23.95 Total new obligations	-45	-45	-44
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	45	45	44
Change in obligated balances:			
73.10 Total new obligations	45	45	44
73.20 Total outlays (gross)	-45	-45	-44
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	45	45	44
Net budget authority and outlays:			
89.00 Budget authority	45	45	44
90.00 Outlays	45	45	44

The 2004 request will finance the 2004 installment of the unfunded liability created by the addition of U.S. Agency for International Development (USAID) Foreign Service personnel to the foreign service retirement system and by subsequent salary increases and changes in legislation affecting benefits.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, \$35,000,000, to remain available until September 30, 2005, which sum shall be available for the Office of the Inspector General of the United States Agency for International Development.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 72-1007-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program	33	36	35
10.00 Total new obligations	33	36	35
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	3	.....
22.00 New budget authority (gross)	32	33	35
22.10 Resources available from recoveries of prior year obligations	3	.....	.....
23.90 Total budgetary resources available for obligation	38	36	35
23.95 Total new obligations	-33	-36	-35
24.40 Unobligated balance carried forward, end of year	3	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	32	33	35
Change in obligated balances:			
72.40 Obligated balance, start of year	10	9	7
73.10 Total new obligations	33	36	35
73.20 Total outlays (gross)	-30	-38	-34
73.45 Recoveries of prior year obligations	-3	.....	.....
74.40 Obligated balance, end of year	9	7	8
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	22	25	26
86.93 Outlays from discretionary balances	8	12	8

General and special funds—Continued

**OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR
INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL—
Continued**

Program and Financing (in millions of dollars)—Continued

Identification code 72-1007-0-1-151	2002 actual	2003 est.	2004 est.
87.00 Total outlays (gross)	30	38	34
Net budget authority and outlays:			
89.00 Budget authority	32	33	35
90.00 Outlays	30	38	34
Additional net budget authority and outlays to cover cost of fully accruing retirement:			
99.00 Budget authority	1	1	1
99.01 Outlays	1	1	1

The funds cover the costs of operations of the Office of the Inspector General, Agency for International Development, and include salaries, expenses, and support costs of the Inspector General's personnel.

Object Classification (in millions of dollars)

Identification code 72-1007-0-1-151	2002 actual	2003 est.	2004 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	13	14	15
11.3 Other than full-time permanent	1	2	2
11.5 Other personnel compensation	1		
11.9 Total personnel compensation	15	16	17
12.1 Civilian personnel benefits	5	5	5
21.0 Travel and transportation of persons	1	2	1
23.1 Rental payments to GSA	2	2	2
23.2 Rental payments to others	2	2	2
25.2 Other services	1	1	1
25.3 Other purchases of goods and services from Government accounts	5	6	5
31.0 Equipment	1	1	1
99.0 Direct obligations	32	35	34
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	33	36	35

Personnel Summary

Identification code 72-1007-0-1-151	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	166	169	179

Public enterprise funds:

PROPERTY MANAGEMENT FUND

Program and Financing (in millions of dollars)

Identification code 72-4175-0-3-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
09.01 Reimbursable program		1	2
10.00 Total new obligations (object class 32.0)		1	2
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	3	3
22.00 New budget authority (gross)		1	1
23.90 Total budgetary resources available for obligation	3	4	4
23.95 Total new obligations		-1	-2
24.40 Unobligated balance carried forward, end of year	3	3	2
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)		1	1

Change in obligated balances:			
73.10 Total new obligations		1	2
73.20 Total outlays (gross)		-2	-2

Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		1	1
86.98 Outlays from mandatory balances		1	1
87.00 Total outlays (gross)		2	2

Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources		-1	-1

Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays		1	1

This Fund, as authorized by Public Law 101-513, is maintained for the deposit of proceeds from the sale of overseas property acquired by the U.S. Agency for International Development (USAID). The proceeds are available to construct or otherwise acquire outside the United States: (1) essential living quarters, office space, and necessary supporting facilities for use of USAID personnel; and, (2) schools (including dormitories and boarding facilities) and hospitals for use of USAID personnel, U.S. Government personnel, and their dependents. In addition, the proceeds may be used to equip, staff, operate, and maintain such schools and hospitals.

WORKING CAPITAL FUND

Program and Financing (in millions of dollars)

Identification code 72-4513-0-4-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
09.01 Reimbursable program	2	2	2
09.09 Reimbursable program—subtotal line	2	2	2
10.00 Total new obligations	2	2	2
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	2	2	2
23.95 Total new obligations	-2	-2	-2

New budget authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	2	2	2

Change in obligated balances:			
72.40 Obligated balance, start of year	1	1	1
73.10 Total new obligations	2	2	2
73.20 Total outlays (gross)	-2	-2	-2
74.40 Obligated balance, end of year	1	1	1

Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1	2	2
86.93 Outlays from discretionary balances	1		
87.00 Total outlays (gross)	2	2	2

Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-2	-2	-2

Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

The fund, authorized by section 635(m) of the Foreign Assistance Act of 1961, finances on a reimbursable basis the costs associated with providing administrative support to other agencies under the International Cooperative Administrative Support Services (ICASS) program overseas. Under

ICASS, each agency pays a proportional share of the cost of those services they have agreed to receive. Working through inter-agency councils at post, all agencies have a say in determining which services the USAID mission will provide, defining service standards, reviewing costs, and determining funding levels. The fund is also used for deposit of rebates from the use of Federal credit cards, the deposits then being made available for start-up costs at new ICASS service provider missions and for technical support to missions currently providing services.

Object Classification (in millions of dollars)

Identification code 72-4513-0-4-151	2002 actual	2003 est.	2004 est.
11.8 Direct obligations: Personnel compensation: Special personal services payments	1	1	1
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	2	2	2

ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION: UKRAINE EXPORT CREDIT INSURANCE FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4345-0-3-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
08.02 Downward Re-estimate paid to receipt account	34		
10.00 Total new obligations	34		
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	34		
23.95 Total new obligations	-34		
Change in obligated balances:			
73.10 Total new obligations	34		
73.20 Total financing disbursements (gross)	-34		
87.00 Total financing disbursements (gross)	34		
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	34		

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 72-4345-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	34			
1999 Total assets	34			
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees	34			
2999 Total liabilities	34			
4999 Total liabilities and net position	34			

DEBT REDUCTION, FINANCING ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 72-4137-0-3-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Loan purchase from liquidating account 72-4103	7	5	
00.02 Loan purchase from liquidating account 72-4340		3	
00.03 Interest on Treasury borrowing—EAI debt	4	1	1
00.91 Direct Program by Activities—Subtotal (1 level)	11	9	1
08.02 Downward reestimate of subsidy		2	
08.04 Interest on Downward Reestimate		2	
08.91 Direct Program by Activities—Subtotal (1 level)		4	
10.00 Total new obligations	11	13	1
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	67	84	105
22.00 New financing authority (gross)	74	34	36
22.40 Capital transfer to general fund			-7
22.60 Portion applied to repay debt	-48		
23.90 Total budgetary resources available for obligation	93	118	134
23.95 Total new obligations	-11	-13	-1
24.40 Unobligated balance carried forward, end of year	84	105	133

New financing authority (gross), detail:

Mandatory:			
67.10 Authority to borrow		3	
Spending authority from offsetting collections:			
Discretionary:			
Offsetting collections (cash):			
68.00 Offsetting collections (cash)	63	19	16
68.00 Offsetting collections (debt reduction)	11	20	27
68.47 Portion applied to repay debt		-8	-7
68.90 Spending authority from offsetting collections (total discretionary)	74	31	36
70.00 Total new financing authority (gross)	74	34	36
Change in obligated balances:			
73.10 Total new obligations	11	13	1
73.20 Total financing disbursements (gross)	-11	-13	-1
87.00 Total financing disbursements (gross)	11	13	1

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-11	-20	-27
88.25 Interest on uninvested funds	-6	-4	-1
88.40 Non-federal sources (principal)	-57	-15	-15
88.90 Total, offsetting collections (cash)	-74	-39	-43

Net financing authority and financing disbursements:

89.00 Financing authority		-5	-7
90.00 Financing disbursements	-63	-26	-42

Status of Direct Loans (in millions of dollars)

Identification code 72-4137-0-3-151	2002 actual	2003 est.	2004 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	7	8	
1150 Total direct loan obligations	7	8	
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	175	119	92
1233 Disbursements: Purchase of loans assets from a liquidating account	7	8	
1251 Repayments: Repayments and prepayments	-57	-15	-15
1263 Write-offs for default: Direct loans	-6	-20	
1290 Outstanding, end of year	119	92	77

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from restructuring loans administered by the U.S. Agency for International Development.

Public enterprise funds—Continued**DEBT REDUCTION, FINANCING ACCOUNT—Continued****Balance Sheet (in millions of dollars)**

Identification code 72-4137-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	67	84	110	114
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	175	119	92	50
1405 Allowance for subsidy cost (-)	-179	-184	-195	-164
1499 Net present value of assets related to direct loans	-4	-65	-103	-114
1999 Total assets	63	19	7	.....
LIABILITIES:				
Federal liabilities:				
Debt:				
2103 Debt (EAI)	48	4	.....	.....
2103 Debt (Debt Reduction)	15	15	7	.....
2999 Total liabilities	63	19	7	.....
4999 Total liabilities and net position	63	19	7	.....

LOAN GUARANTEES TO ISRAEL FINANCING ACCOUNT**Program and Financing (in millions of dollars)**

Identification code 72-4119-0-3-151	2002 actual	2003 est.	2004 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	626	665	710
22.00 New financing authority (gross)	39	45	45
23.90 Total budgetary resources available for obligation	665	710	755
24.40 Unobligated balance carried forward, end of year	665	710	755
New financing authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	39	45	45
Offsets:			
Against gross financing authority and financing disbursements:			
88.25 Offsetting collections (cash) from: Interest on uninvested funds	-39	-45	-45
Net financing authority and financing disbursements:			
89.00 Financing authority .....	.....	.....	.....
90.00 Financing disbursements	-39	-45	-45

Status of Guaranteed Loans (in millions of dollars)

Identification code 72-4119-0-3-151	2002 actual	2003 est.	2004 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	.....	.....	.....
2150 Total guaranteed loan commitments .....	.....	.....	.....
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	9,226	9,206	9,049
2251 Repayments and prepayments	-20	-157	-49
2290 Outstanding, end of year	9,206	9,049	9,000
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	9,206	9,049	9,000

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that re-

sulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 72-4119-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	626	668	710	.....
1999 Total assets	626	668	710	.....
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees	626	668	710	.....
2999 Total liabilities	626	668	710	.....
4999 Total liabilities and net position	626	668	710	.....

URBAN AND ENVIRONMENTAL CREDIT PROGRAM ACCOUNT**General Fund Credit Receipt Accounts (in millions of dollars)**

Identification code 72-0401-0-1-151	2002 actual	2003 est.	2004 est.
0101 Urban and environmental credit program, downward reestimates of subsidies	14	30	.....

Program and Financing (in millions of dollars)

Identification code 72-0401-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.07 Reestimates of loan guarantees	4	6	.....
00.08 Interest on reestimates of loan guarantee subsidy	1	4	.....
10.00 Total new obligations (object class 41.0)	5	10	.....
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	5	10	.....
23.95 Total new obligations	-5	-10	.....
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	5	10	.....
Change in obligated balances:			
72.40 Obligated balance, start of year	5	3	.....
73.10 Total new obligations	5	10	.....
73.20 Total outlays (gross)	-7	-12	.....
74.40 Obligated balance, end of year	3	.....	.....
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	2	2	.....
86.97 Outlays from new mandatory authority	5	10	.....
87.00 Total outlays (gross)	7	12	.....
Net budget authority and outlays:			
89.00 Budget authority	5	10	.....
90.00 Outlays	7	12	.....

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 72-0401-0-1-151	2002 actual	2003 est.	2004 est.
Guaranteed loan subsidy (in percent):			
232001 UE	0.00	0.00	.....
232901 Weighted average subsidy rate	0.00	0.00	.....
Guaranteed loan upward reestimate subsidy budget authority:			
235001 UE	5	10	.....
235901 Total upward reestimate budget authority	5	10	.....
Guaranteed loan upward reestimate subsidy outlays:			
236001 UE	5	10	.....
236901 Total upward reestimate subsidy outlays	5	10	.....

Guaranteed loan downward reestimate subsidy budget authority:			
237001 UE	-14	-30	
237901 Total downward reestimate subsidy budget authority	-14	-30	
Guaranteed loan downward reestimate subsidy outlays:			
238001 UE	-14	-30	
238901 Total downward reestimate subsidy outlays	-14	-30	

URBAN AND ENVIRONMENTAL CREDIT PROGRAM GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4344-0-3-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Default Claims	10	28	28
08.02 Downward reestimate paid to receipt account	8	22	
08.04 Interest on downward reestimates	6	8	
08.91 Direct Program by Activities—Reestimate Subtotal	14	30	
10.00 Total new obligations	24	58	28
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	65	62	35
22.00 New financing authority (gross)	13	19	8
22.10 Resources available from recoveries of prior year obligations	6	12	
23.90 Total budgetary resources available for obligation	84	93	43
23.95 Total new obligations	-24	-58	-28
24.40 Unobligated balance carried forward, end of year	62	35	15
New financing authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): (cash)	13	19	8
Change in obligated balances:			
72.40 Obligated balance, start of year	14	12	
73.10 Total new obligations	24	58	28
73.20 Total financing disbursements (gross)	-20	-58	-28
73.45 Recoveries of prior year obligations	-6	-12	
74.40 Obligated balance, end of year	12		
87.00 Total financing disbursements (gross)	20	58	28
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-5	-10	
88.25 Interest on uninvested funds	-5	-6	-6
88.40 Non-Federal sources	-3	-3	-2
88.90 Total, offsetting collections (cash)	-13	-19	-8
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	5	39	20

Status of Guaranteed Loans (in millions of dollars)

Identification code 72-4344-0-3-151	2002 actual	2003 est.	2004 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	514	584	576
2231 Disbursements of new guaranteed loans	22	17	
2251 Repayments and prepayments	-1	-20	-25
Adjustments:			
2263 Terminations for default that result in claim payments	-6	-5	-6
2264 Other adjustments, net	55		
2290 Outstanding, end of year	584	576	545
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	584	576	545

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees under the United States Agency for International Development (USAID) Urban and Environmental Credit Program committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 72-4344-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	90	74	35	15
Investments in US securities:				
1106 Receivables, net				
1999 Total assets	90	74	35	15
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees	90	74	35	15
2999 Total liabilities	90	74	35	15
4999 Total liabilities and net position	90	74	35	15

HOUSING AND OTHER CREDIT GUARANTY PROGRAMS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4340-0-3-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Claims payments	47	16	31
10.00 Total new obligations (object class 42.0)	47	16	31
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	83	7	
22.00 New budget authority (gross)	72	30	31
22.10 Resources available from recoveries of prior year obligations		25	
22.40 Capital transfer to general fund		-46	
22.60 Portion applied to repay debt	-101		
23.90 Total budgetary resources available for obligation	54	16	31
23.95 Total new obligations	-47	-16	-31
24.40 Unobligated balance carried forward, end of year	7		
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	30	30	30
69.00 Offsetting collections (cash)	42	67	41
69.27 Capital transfer to general fund		-67	-40
69.90 Spending authority from offsetting collections (total mandatory)	42		1
70.00 Total new budget authority (gross)	72	30	31
Change in obligated balances:			
72.40 Obligated balance, start of year	17	25	
73.10 Total new obligations	47	16	31
73.20 Total outlays (gross)	-39	-16	-31
73.45 Recoveries of prior year obligations		-25	
74.40 Obligated balance, end of year	25		
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	39	16	31
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources (debt reduction)		-3	
Non-Federal sources:			
88.40 Receipts of principal resulting from rescheduled claims	-12	-22	-18
88.40 Recoveries of claims receivable	-9	-12	-2
88.40 Fees	-5	-5	-5
88.40 Interest & late pmt. collection	-16	-25	-16

Public enterprise funds—Continued

HOUSING AND OTHER CREDIT GUARANTY PROGRAMS LIQUIDATING ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 72-4340-0-3-151	2002 actual	2003 est.	2004 est.
88.90 Total, offsetting collections (cash)	-42	-67	-41
Net budget authority and outlays:			
89.00 Budget authority	30	-37	-10
90.00 Outlays	-3	-51	-10

Status of Guaranteed Loans (in millions of dollars)

Identification code 72-4340-0-3-151	2002 actual	2003 est.	2004 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	1,596	1,499	1,406
2251 Repayments and prepayments	-56	-77	-67
2261 Adjustments: Terminations for default that result in loans receivable	-41	-16	-31
2290 Outstanding, end of year	1,499	1,406	1,308
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	1,499	1,406	1,308
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	435	450	389
2331 Disbursements for guaranteed loan claims	41	16	31
Repayments of loans receivable:			
2351 Repayments of loans receivable	-26	-34	-20
2351 Repayments of loans receivable (debt reduction)	-3	-3	-3
2361 Write-offs of loans receivable	-40	-40	-40
2390 Outstanding, end of year	450	389	400

As required by the Federal Credit Reform Act of 1990, this account records, for the Urban and Environmental Credit Program, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond is recorded in corresponding program and financing accounts.

Statement of Operations (in millions of dollars)

Identification code 72-4340-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
0111 Revenue	18	21	30	21
0112 Expense				
0115 Net income or loss (-)	18	21	30	21
0195 Total income or loss (-)	18	21	30	21
0199 Total comprehensive income	18	21	30	21

Balance Sheet (in millions of dollars)

Identification code 72-4340-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
1206 Non-Federal assets: Receivables, net	2	2	2	
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1701 Defaulted guaranteed loans, gross	433	450	432	443
1702 Interest receivable	104	70	100	100
1703 Allowance for estimated uncollectible loans and interest (-)	-176	-320	-300	-300
1704 Defaulted guaranteed loans and interest receivable, net	361	200	232	243
1799 Value of assets related to loan guarantees	361	200	232	243
1999 Total assets	363	202	234	243

LIABILITIES:

2104 Federal liabilities: Resources payable to Treasury	-76	-745	-713	-704
2204 Non-Federal liabilities: Liabilities for loan guarantees	439	947	947	947
2999 Total liabilities	363	202	234	243
4999 Total liabilities and net position	363	202	234	243

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 72-0400-0-1-151	2002 actual	2003 est.	2004 est.
0101 Microenterprise and small enterprise development, downward reestimates of subsidies	1		

Program and Financing (in millions of dollars)

Identification code 72-0400-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.02 Guaranteed Loan Subsidy	1		
00.07 Reestimate of Loan Guarantee	1		
10.00 Total new obligations (object class 41.0)	2		

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	1		
22.00 New budget authority (gross)	1		
23.90 Total budgetary resources available for obligation	2		
23.95 Total new obligations	-2		

New budget authority (gross), detail:

Mandatory:			
60.00 Appropriation	1		

Change in obligated balances:

72.40 Obligated balance, start of year	7	7	2
73.10 Total new obligations	2		
73.20 Total outlays (gross)	-1	-5	-1
73.40 Adjustments in expired accounts (net)	-2		
74.40 Obligated balance, end of year	7	2	1

Outlays (gross), detail:

86.93 Outlays from discretionary balances	5		1
86.97 Outlays from new mandatory authority	1		
87.00 Total outlays (gross)	1	5	1

Net budget authority and outlays:

89.00 Budget authority	1		
90.00 Outlays	1	5	1

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 72-0400-0-1-151	2002 actual	2003 est.	2004 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 MSED Loan Guarantee	25		
215901 Total loan guarantee levels	25		
Guaranteed loan subsidy (in percent):			
232001 MSED Loan Guarantee	3.93	0.00	0.00
232901 Weighted average subsidy rate	3.93	0.00	0.00
Guaranteed loan subsidy budget authority:			
233001 MSED Loan Guarantee	1		
233901 Total subsidy budget authority	1		
Guaranteed loan subsidy outlays:			
234001 MSED Loan Guarantee	1	5	1
234901 Total subsidy outlays	1	5	1
Guaranteed loan upward reestimate subsidy budget authority:			
235001 MSED Loan Guarantee	1		
235901 Total upward reestimate budget authority	1		

Guaranteed loan upward reestimate subsidy outlays:			
236001	MSED Loan Guarantee	1	
236901	Total upward reestimate subsidy outlays	1	
Guaranteed loan downward reestimate subsidy budget authority:			
237001	MSED Loan Guarantee	-1	
237901	Total downward reestimate subsidy budget authority	-1	
Guaranteed loan downward reestimate subsidy outlays:			
238001	MSED Loan Guarantee	-1	
238901	Total downward reestimate subsidy outlays	-1	

**MICROENTERPRISE AND SMALL ENTERPRISE DEVELOPMENT CREDIT
DIRECT LOAN FINANCING ACCOUNT**

Program and Financing (in millions of dollars)

Identification code 72-4342-0-3-151	2002 actual	2003 est.	2004 est.
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	1	1
22.00	New financing authority (gross)	1	
22.60	Portion applied to repay debt	-1	-1
23.90	Total budgetary resources available for obligation	1	
24.40	Unobligated balance carried forward, end of year	1	
New financing authority (gross), detail:			
Discretionary:			
68.00	Spending authority from offsetting collections (gross): Offsetting collections (cash)	1	
Offsets:			
Against gross financing authority and financing disbursements:			
88.40	Offsetting collections (cash) from: Non-Federal sources	-1	
Net financing authority and financing disbursements:			
89.00	Financing authority		
90.00	Financing disbursements		

Status of Direct Loans (in millions of dollars)

Identification code 72-4342-0-3-151	2002 actual	2003 est.	2004 est.
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	1	
1251	Repayments: Repayments and prepayments	-1	
1290	Outstanding, end of year		

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated under the United States Agency for International Development (USAID) Microenterprise and Small Enterprise Development Credit Direct Loan program in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 72-4342-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Net value of assets related to post-1991 direct loans receivable:				
1401	Direct loans receivable, gross	1		
1499	Net present value of assets related to direct loans	1		
1999	Total assets	1		
LIABILITIES:				
2201	Non-Federal liabilities: Accounts payable	1		
2999	Total liabilities	1		

4999	Total liabilities and net position	1		
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**MICROENTERPRISE AND SMALL ENTERPRISE DEVELOPMENT
GUARANTEED LOAN FINANCING ACCOUNT**

Program and Financing (in millions of dollars)

Identification code 72-4343-0-3-151	2002 actual	2003 est.	2004 est.	
Obligations by program activity:				
00.01	Default claims		2	1
08.02	Payment of downward reestimate to receipt account	1		
10.00	Total new obligations	2	2	1
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	2	1	3
22.00	New financing authority (gross)	2	6	2
23.90	Total budgetary resources available for obligation	4	7	5
23.95	Total new obligations	-2	-2	-1
24.40	Unobligated balance carried forward, end of year	1	3	6
New financing authority (gross), detail:				
Discretionary:				
68.00	Spending authority from offsetting collections (gross): Offsetting collections (cash)	2	6	2
Change in obligated balances:				
73.10	Total new obligations	2	2	1
73.20	Total financing disbursements (gross)	-1	-2	-1
87.00	Total financing disbursements (gross)	1	2	1
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources	-2	-5	-1
88.40	Non-Federal sources		-1	-1
88.90	Total, offsetting collections (cash)	-2	-6	-2
Net financing authority and financing disbursements:				
89.00	Financing authority			
90.00	Financing disbursements	1	-4	-1

Status of Guaranteed Loans (in millions of dollars)

Identification code 72-4343-0-3-151	2002 actual	2003 est.	2004 est.	
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders			
2121	Limitation available from carry-forward	31		
2131	Guaranteed loan commitments exempt from limitation			
2142	Uncommitted loan guarantee limitation	-18		
2150	Total guaranteed loan commitments	13		
2199	Guaranteed amount of guaranteed loan commitments	7		
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	36	34	42
2231	Disbursements of new guaranteed loans	11	20	26
2251	Repayments and prepayments	-13	-10	-12
2263	Adjustments: Terminations for default that result in claim payments		-2	-1
2290	Outstanding, end of year	34	42	55

Memorandum:

2299	Guaranteed amount of guaranteed loans outstanding, end of year	17	21	28
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As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees under the United States Agency for International Development (USAID) Microenterprise and Small Enterprise Development Guarantee program committed in 1992 and beyond (including

Public enterprise funds—Continued**MICROENTERPRISE AND SMALL ENTERPRISE DEVELOPMENT
GUARANTEED LOAN FINANCING ACCOUNT—Continued**

modifications of loan guarantees that resulted from commitments in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 72-4343-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	3	2	3	6
1999 Total assets	3	2	3	6
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees	3	2	3	6
2999 Total liabilities	3	2	3	6
4999 Total liabilities and net position	3	2	3	6

PRIVATE SECTOR REVOLVING FUND LIQUIDATING ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 72-4341-0-3-151	2002 actual	2003 est.	2004 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	2		
22.00 New budget authority (gross)		1	
22.40 Capital transfer to general fund		-1	
22.60 Portion applied to repay debt	-1		
23.90 Total budgetary resources available for obligation	1		
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)		1	
Change in obligated balances:			
73.20 Total outlays (gross)			
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources		-1	
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays		-1	

Status of Direct Loans (in millions of dollars)

Identification code 72-4341-0-3-151	2002 actual	2003 est.	2004 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1	1	
1251 Repayments: Repayments and prepayments		-1	
1290 Outstanding, end of year	1		

As required by the Federal Credit Reform Act of 1990, this account records all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed under the Private Sector Loan Fund prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond is recorded in corresponding program and financing accounts.

**DEVELOPMENT CREDIT AUTHORITY
(INCLUDING TRANSFER OF FUNDS)**

For the cost of direct loans and loan guarantees, as authorized by sections 108 and 635 of the Foreign Assistance Act of 1961, up

to \$21,000,000, to remain available until September 30, 2005, and to be derived by transfer from funds appropriated by this Act to carry out part I of such Act and under the heading, "Assistance for Eastern Europe and the Baltic States": Provided, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, of up to \$700,000,000. In addition, for administrative expenses to carry out credit programs administered by the United States Agency for International Development, \$8,000,000, to remain available until September 30, 2004, which may be transferred to and merged with the appropriation for Operating Expenses of the United States Agency for International Development.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 72-1264-0-1-151	2002 actual	2003 est.	2004 est.
0102 Negative subsidies/subsidy reestimates	1		

Program and Financing (in millions of dollars)

Identification code 72-1264-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.02 Guaranteed loan subsidy	5	18	21
00.09 Administrative Expenses	5	10	8
10.00 Total new obligations	10	28	29
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	5	
22.00 New budget authority (gross)	10	8	29
22.10 Resources available from recoveries of prior year obligations	1		
22.22 Unobligated balance transferred from other accounts	1	15	
23.90 Total budgetary resources available for obligation	15	28	29
23.95 Total new obligations	-10	-28	-29
24.40 Unobligated balance carried forward, end of year	5		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	8	8	8
42.00 Transferred from other accounts	2		21
43.00 Appropriation (total discretionary)	10	8	29
Change in obligated balances:			
72.40 Obligated balance, start of year	7	10	26
73.10 Total new obligations	10	28	29
73.20 Total outlays (gross)	-5	-13	-18
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	10	26	39
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1	7	12
86.93 Outlays from discretionary balances	4	6	6
87.00 Total outlays (gross)	5	13	18
Net budget authority and outlays:			
89.00 Budget authority	10	8	29
90.00 Outlays	5	13	18

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 72-1264-0-1-151	2002 actual	2003 est.	2004 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 DCA	289	280	675
215901 Total loan guarantee levels	289	280	675
Guaranteed loan subsidy (in percent):			
232001 DCA	6.42	6.44	3.11
232901 Weighted average subsidy rate	6.42	6.44	3.11

Guaranteed loan subsidy budget authority:			
233001 DCA	19	18	21
233901 Total subsidy budget authority	19	18	21
Guaranteed loan subsidy outlays:			
234001 DCA	1	5	10
234901 Total subsidy outlays	1	5	10
Guaranteed loan downward reestimate subsidy budget authority:			
237001 DCA	-1		
237901 Total downward reestimate subsidy budget authority	-1		
Guaranteed loan downward reestimate subsidy outlays:			
238001 DCA	-1		
238901 Total downward reestimate subsidy outlays	-1		
Administrative expense data:			
351001 Budget authority	8	8	8
358001 Outlays from balances	3	1	2
359001 Outlays from new authority	1	7	6

In 2002, the Administration merged USAID's two credit programs as one consolidated Development Credit authority. This single program, which includes a consolidated credit administrative budget, allows USAID to use credit as a flexible development tool for a wide range of development purposes.

The Development Credit Authority (DCA) permits the Agency to substitute credit assistance (loans and loan guarantees) for grant assistance to achieve any of the economic development purposes authorized by the Congress in Part I of the Foreign Assistance Act of 1961, as amended. Subject to limits in annual appropriations acts and the normal congressional notification processes, disciplined credit assistance under DCA is principally intended for use where a development activity is financially viable, where borrowers are creditworthy, and where there is true risk sharing with private lenders. DCA augments grant assistance by mobilizing private capital in developing countries for sustainable development projects. In 2004 USAID plans to use some of this authority for water projects to fulfill the Administration's commitment at the World Summit on Sustainable Development.

Object Classification (in millions of dollars)

Identification code 72-1264-0-1-151	2002 actual	2003 est.	2004 est.
11.1 Personnel compensation: Full-time permanent	2	3	3
21.0 Travel and transportation of persons		1	1
25.1 Advisory and assistance services	1	3	2
25.3 Other purchases of goods and services from Government accounts	2	3	2
41.0 Grants, subsidies, and contributions	5	18	21
99.9 Total new obligations	10	28	29

Personnel Summary

Identification code 72-1264-0-1-151	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	21	26	26

DEVELOPMENT CREDIT AUTHORITY GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4266-0-3-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Default Claims		1	1
08.02 Downward reestimate	1		
10.00 Total new obligations	1	1	1
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	1	8

22.00 New financing authority (gross)	1	6	12
23.90 Total budgetary resources available for obligation	2	7	20
23.95 Total new obligations	-1	-1	-1
24.40 Unobligated balance carried forward, end of year	1	8	20

New financing authority (gross), detail:

Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	1	6	12

Change in obligated balances:

73.10 Total new obligations	1	1	1
73.20 Total financing disbursements (gross)	-1	-1	-1
87.00 Total financing disbursements (gross)	1	1	1

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources: Subsidy payments from program account	-1	-5	-10
88.40 Non-Federal sources		-1	-2
88.90 Total, offsetting collections (cash)	-1	-6	-12

Net financing authority and financing disbursements:

89.00 Financing authority			
90.00 Financing disbursements		-5	-11

Status of Guaranteed Loans (in millions of dollars)

Identification code 72-4266-0-3-151	2002 actual	2003 est.	2004 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	536		700
2121 Limitation available from carry-forward	479	479	479
2131 Guaranteed loan commitments exempt from limitation		280	
2142 Uncommitted loan guarantee limitation	-335		-25
2143 Uncommitted limitation carried forward	-479	-479	-479
2150 Total guaranteed loan commitments	201	280	675
2199 Guaranteed amount of guaranteed loan commitments	60	140	338
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	39	41	179
2231 Disbursements of new guaranteed loans	4	142	125
2251 Repayments and prepayments	-2	-3	-18
2263 Adjustments: Terminations for default that result in claim payments		-1	-1
2290 Outstanding, end of year	41	179	285
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	21	90	143

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 72-4266-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	1	1	5	17
1999 Total assets	1	1	5	17
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees	1	1	5	17
2999 Total liabilities	1	1	5	17
4999 Total liabilities and net position	1	1	5	17

Public enterprise funds—Continued

ECONOMIC ASSISTANCE LOANS—LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4103-0-3-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity		7	4
10.00 Total new obligations (object class 41.0)		7	4
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	97	88	
22.00 New budget authority (gross)		7	4
22.40 Capital transfer to general fund	-9	-88	
23.90 Total budgetary resources available for obligation	88	7	4
23.95 Total new obligations		-7	-4
24.40 Unobligated balance carried forward, end of year	88		
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	799	775	661
69.27 Capital transfer to general fund	-799	-768	-657
69.90 Spending authority from offsetting collections (total mandatory)		7	4
Change in obligated balances:			
72.40 Obligated balance, start of year	-2	-2	
73.10 Total new obligations		7	4
73.20 Total outlays (gross)		-5	-4
74.40 Obligated balance, end of year	-2		
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		5	4
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-7	-5	
Non-Federal sources:			
88.40 Non-Federal sources-Principal	-584	-568	-493
88.40 Non-Federal sources-Interest	-208	-202	-168
88.90 Total, offsetting collections (cash)	-799	-775	-661
Net budget authority and outlays:			
89.00 Budget authority	-799	-768	-657
90.00 Outlays	-799	-770	-657

Status of Direct Loans (in millions of dollars)

Identification code 72-4103-0-3-151	2002 actual	2003 est.	2004 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	9,373	8,768	8,187
Repayments:			
Repayments and prepayments:			
1251 Repayments and prepayments	-584	-568	-493
1251 Repayments: debt reduction	-7	-5	
1263 Write-offs for default: Direct loans	-14	-8	
1290 Outstanding, end of year	8,768	8,187	7,694

Balance Sheet (in millions of dollars)

Identification code 72-4103-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	9,373	8,768	8,187	7,694
1602 Interest receivable	563	349	349	349
1603 Allowance for estimated uncollectible loans and interest (-)	-3,996	-6,124	-6,063	-6,001
1699 Value of assets related to direct loans	5,940	2,993	2,473	2,042
1999 Total assets	5,940	2,993	2,473	2,042

LIABILITIES:

2104 Federal liabilities: Resources payable to Treasury	5,940	2,993	2,473	2,042
2999 Total liabilities	5,940	2,993	2,473	2,042
4999 Total liabilities and net position	5,940	2,993	2,473	2,042

The Economic Assistance Loans liquidating account consolidates liquidating credit activity from three previous accounts: Economic Support Fund, Functional Development Assistance Program, and the Development Loans Revolving Fund. This was done to simplify presentation. As required by the Federal Credit Reform Act of 1990, this account records all cash flows to and from the Government resulting from direct loans prior to 1992. This account is shown on a cash basis.

Trust Funds

FOREIGN SERVICE NATIONAL SEPARATION LIABILITY TRUST FUND

Program and Financing (in millions of dollars)

Identification code 72-8342-0-7-602	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity	4	2	2
10.00 Total new obligations (object class 13.0)	4	2	2
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year			1
22.00 New budget authority (gross)	4	2	2
23.90 Total budgetary resources available for obligation	4	2	3
23.95 Total new obligations	-4	-2	-2
24.40 Unobligated balance carried forward, end of year		1	2
New budget authority (gross), detail:			
Mandatory:			
63.00 Reappropriation	4	2	2
Change in obligated balances:			
72.40 Obligated balance, start of year	11	15	15
73.10 Total new obligations	4	2	2
73.20 Total outlays (gross)		-1	-1
74.40 Obligated balance, end of year	15	15	15
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		1	1
Net budget authority and outlays:			
89.00 Budget authority	4	2	2
90.00 Outlays		1	1

This Fund is maintained to pay separation costs for Foreign Service National employees of the U.S. Agency for International Development in those countries in which such pay is legally required. The Fund, as authorized by Public Law 102-138, is maintained by annual Government contributions which are appropriated in several Agency accounts.

MISCELLANEOUS TRUST FUNDS, AID

Unavailable Collections (in millions of dollars)

Identification code 72-9971-0-7-151	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year	2	2	2
Receipts:			
02.00 Gifts and donations	2		
04.00 Total: Balances and collections	4	2	2
Appropriations:			
05.00 Miscellaneous trust funds, AID	-2		
07.99 Balance, end of year	2	2	2

Program and Financing (in millions of dollars)

Identification code 72-9971-0-7-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity	2		
10.00 Total new obligations (object class 41.0)	2		
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	2	2	1
22.00 New budget authority (gross)	2		
23.90 Total budgetary resources available for obligation	4	2	1
23.95 Total new obligations	-2		
24.40 Unobligated balance carried forward, end of year	2	1	1
New budget authority (gross), detail:			
Mandatory:			
60.26 Appropriation (trust fund)	2		
Change in obligated balances:			
72.40 Obligated balance, start of year	1	1	2
73.10 Total new obligations	2		
73.20 Total outlays (gross)	-2		
74.40 Obligated balance, end of year	1	2	2
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	2		
Net budget authority and outlays:			
89.00 Budget authority	2		
90.00 Outlays	2		

The Miscellaneous Trust Funds account includes gifts and donations that AID receives from other governments, non-governmental organizations, or private citizens. AID has authority to spend these gifts and donations for development purposes under Section 635(d) of the Foreign Assistance Act.

OVERSEAS PRIVATE INVESTMENT
CORPORATION

Federal Funds

Public enterprise funds:

OVERSEAS PRIVATE INVESTMENT CORPORATION
NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: Provided, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed \$35,000) shall not exceed \$42,385,000: Provided further, That the Corporation may accept and use payment or services provided by transaction participants for due diligence, legal, financial, or technical services in connection with any transaction for which an application for an insurance commitment has been made or is anticipated: Provided further, That such amounts shall remain available until expended and shall not be considered administrative expenses for the purposes of this heading.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Unavailable Collections (in millions of dollars)

Identification code 71-4184-0-3-151	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year	3,013	3,123	3,337
Receipts:			
02.80 Overseas Private Investment Corporation noncredit account, offsetting collections	308	321	321
04.00 Total: Balances and collections	3,321	3,444	3,658

Appropriations:			
05.00 Overseas Private Investment Corporation noncredit account	-198	-107	-123
05.99 Total appropriations	-198	-107	-123
07.99 Balance, end of year	3,123	3,337	3,535

These balances are reserves held for potential claims and are not expected to be obligated.

Program and Financing (in millions of dollars)

Identification code 71-4184-0-3-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
09.01 Noncredit administrative expenses	16	16	17
09.02 Insurance claim payments/provisions	34	25	31
09.03 Credit administrative expenses	23	23	25
09.05 Project specific insurance expenses	1	1	1
10.00 Total new obligations	74	65	74
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	254	218	213
22.00 New budget authority (gross)	38	59	74
23.90 Total budgetary resources available for obligation	292	277	287
23.95 Total new obligations	-74	-65	-74
24.40 Unobligated balance carried forward, end of year	218	213	213
New budget authority (gross), detail:			
Discretionary:			
41.00 Transferred to other accounts	-47	-48	-49
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	308	321	321
68.10 Change in uncollected customer payments from Federal sources (unexpired)	-2		
68.27 Capital transfer to general fund	-111		
68.45 Portion precluded from obligation (limitation on obligations)	-110	-214	-198
68.90 Spending authority from offsetting collections (total discretionary)	85	107	123
70.00 Total new budget authority (gross)	38	59	74
Change in obligated balances:			
72.40 Obligated balance, start of year	65	92	89
73.10 Total new obligations	74	65	74
73.20 Total outlays (gross)	-49	-68	-73
74.00 Change in uncollected customer payments from Federal sources (unexpired)	2		
74.40 Obligated balance, end of year	92	89	90
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	24	41	47
86.93 Outlays from discretionary balances	25	27	26
87.00 Total outlays (gross)	49	68	73
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-23	-24	-25
88.20 Interest on Federal securities	-223	-232	-235
Non-Federal sources:			
88.40 Non-Fed insurance premiums	-54	-51	-47
88.40 Non-Fed claim repay Indonesia	-8	-14	-14
88.90 Total, offsetting collections (cash)	-308	-321	-321
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	2		
Net budget authority and outlays:			
89.00 Budget authority	-268	-262	-247
90.00 Outlays	-259	-253	-248
Memorandum (non-add) entries:			
92.01 Total investments, start of year: Federal securities: Par value	3,350	3,464	3,623
92.02 Total investments, end of year: Federal securities: Par value	3,464	3,623	3,775

Public enterprise funds—Continued

OVERSEAS PRIVATE INVESTMENT CORPORATION—Continued

NONCREDIT ACCOUNT—Continued

Additional net budget authority and outlays to cover cost of fully accruing retirement:				
99.00	Budget authority	1	1	1
99.01	Outlays	1	1	1

The Overseas Private Investment Corporation encourages the participation of United States private sector capital and skills in the economic and social development of developing countries and emerging market economies. Its primary non-credit program is political risk insurance against losses due to expropriation, inconvertibility, and damage due to political violence.

Status of Funds (in millions of dollars)

Identification code 71-4184-0-3-151	2002 actual	2003 est.	2004 est.
Unexpended balance, start of year:			
0100 Treasury balance	15	5	49
Federal securities:			
0101 Par value	3,350	3,464	3,623
0102 Unrealized discounts	-33	-33	-30
0199 Total balance, start of year	3,332	3,433	3,639
Cash income during the year:			
Current law:			
Offsetting collections:			
1280 Offsetting collections	308	321	321
1299 Income under present law	308	321	321
Cash outgo during year:			
Current law:			
4500 Overseas private investment corporation noncredit account	-49	-68	-73
7645 Transfers, net	-47	-48	-49
7650 Other adjustments, net	-111		
7699 Total adjustments	-158	-48	-49
Unexpended balance, end of year:			
8700 Uninvested balance	5	49	80
Federal securities:			
8701 Par value	3,464	3,623	3,775
8702 Unrealized discounts	-33	-30	-19
8799 Total balance, end of year	3,433	3,639	3,838

INSURANCE PROGRAM ACTIVITY

(In millions of dollars)

	2001 actual	2002 actual	2003 est.	2004 est.
Aggregate insurance outstanding, start of year ..	20,623	15,191	11,883	10,174
Aggregate insurance issued during year	1,065	1,222	1,300	1,500
Aggregate insurance reductions and cancellations	-6,497	-4,674	-3,009	-2,572
Aggregate insurance outstanding, end of year	15,190	11,883	10,174	9,102
Net growth/(decline) of portfolio	-5,433	-3,308	-1,709	-1,072
Net growth rate of insurance portfolio (in percent)	-26.43	-21.80	-14.38	-10.54

STATUS OF INSURANCE AUTHORITY

(In millions of dollars)

	2001 actual	2002 actual	2003 est.	2004 est.
Statutory authority limitation ¹	29,000	29,000	29,000	29,000
Maximum contingent liability, end of year	8,246	6,908	5,186	4,663
Estimated potential exposure to claims, end of year	5,324	4,829	3,035	2,729

¹ This is a combined insurance and finance limitation. OPIC will monitor issuance and runoff to stay within the limitation.

Object Classification (in millions of dollars)

Identification code 71-4184-0-3-151	2002 actual	2003 est.	2004 est.
11.1 Personnel compensation: Full-time permanent	20	21	22
12.1 Civilian personnel benefits	3	4	4
21.0 Travel and transportation of persons	1	1	1
23.2 Rental payments to others	6	6	7
25.1 Advisory and assistance services	5	4	5

25.2	Other services	5	4	4
42.0	Insurance claims and indemnities	34	25	31
99.9	Total new obligations	74	65	74

Personnel Summary

Identification code 71-4184-0-3-151	2002 actual	2003 est.	2004 est.
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	192	209	209

Credit accounts:

OVERSEAS PRIVATE INVESTMENT CORPORATION
PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, \$24,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961, to be derived by transfer from the Overseas Private Investment Corporation Non-credit Account: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 2004 and 2005: Provided further, That such sums shall remain available through fiscal year 2012 for the disbursement of direct and guaranteed loans obligated in fiscal year 2004, and through fiscal year 2013 for the disbursement of direct and guaranteed loans obligated in fiscal year 2005: Provided further, That the Corporation may accept and use payment or services provided by transaction participants for due diligence, legal, financial, or technical services in connection with any transaction for which an application for a direct loan or loan guarantee has been made or is anticipated: Provided further, That such amounts shall remain available until expended and shall not be considered administrative expenses for the purposes of this heading.

In addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Non-credit Account and merged with said account.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 71-0100-0-1-151	2002 actual	2003 est.	2004 est.
0101 Overseas Private Investment Corporation, downward reestimates of subsidies	135	58	

Program and Financing (in millions of dollars)

Identification code 71-0100-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct loan subsidy	5	8	4
00.02 Guaranteed loan subsidy	14	11	20
00.05 Direct loan upward reestimate		7	
00.06 Interest on DL Reestimate		3	
00.07 IG Reestimate	98	108	
00.08 IG interest on reestimate	30	51	
00.09 Credit administrative expenses	23	24	25
10.00 Total new obligations	170	212	49

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	40	6	11
22.00 New budget authority (gross)	205	217	49
23.90 Total budgetary resources available for obligation	245	223	60
23.95 Total new obligations	-170	-212	-49
Unobligated balance expiring or withdrawn:			
23.98 Unobligated balance expiring or withdrawn	-12		
23.98 Unobligated balance expiring or withdrawn	-57		
24.40 Unobligated balance carried forward, end of year	6	11	11

New budget authority (gross), detail:

Discretionary:			
42.00	Transferred from other accounts	47	48 49
Mandatory:			
Appropriation:			
60.00	Appropriation	128	159
60.00	Appropriation		10
62.50	Appropriation (total mandatory)	128	169
Discretionary:			
68.10	Spending authority from offsetting collections: Change in uncollected customer payments from Federal sources (unexpired)	30	.....
70.00	Total new budget authority (gross)	205	217 49

Change in obligated balances:

72.40	Obligated balance, start of year	40	71 91
73.10	Total new obligations	170	212 49
73.20	Total outlays (gross)	-151	-215 -49
73.40	Adjustments in expired accounts (net)	19	.....
74.00	Change in uncollected customer payments from Fed- eral sources (unexpired)	-30	.....
74.10	Change in uncollected customer payments from Fed- eral sources (expired)	23	24 25
74.40	Obligated balance, end of year	71	91 115

Outlays (gross), detail:

86.90	Outlays from new discretionary authority	23	25 26
86.93	Outlays from discretionary balances		21 23
86.97	Outlays from new mandatory authority	128	169
87.00	Total outlays (gross)	151	215 49

Offsets:

Against gross budget authority and outlays:			
88.00	Offsetting collections (cash) from: Federal sources	-24	.....
Against gross budget authority only:			
88.95	Change in uncollected customer payments from Federal sources (unexpired)	-30	.....

Net budget authority and outlays:

89.00	Budget authority	151	217 49
90.00	Outlays	129	215 49

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 71-0100-0-1-151	2002 actual	2003 est.	2004 est.
Direct loan levels supportable by subsidy budget authority:			
115001 OPIC direct loan	47	73	40
115901 Total direct loan levels	47	73	40
Direct loan subsidy (in percent):			
132001 OPIC direct loan	10.60	11.00	11.00
132901 Weighted average subsidy rate	10.60	11.00	11.00
Direct loan subsidy budget authority:			
133001 OPIC direct loan	5	8	4
133901 Total subsidy budget authority	5	8	4
Direct loan subsidy outlays:			
134001 OPIC direct loan	5	5	5
134901 Total subsidy outlays	5	5	5
Direct loan upward reestimate subsidy budget authority:			
135001 OPIC direct loan		10	.....
135901 Total upward reestimate budget authority		10	.....
Direct loan upward reestimate subsidy outlays:			
136001 OPIC direct loan		10	.....
136901 Total upward reestimate outlays		10	.....
Direct loan downward reestimate subsidy budget authority:			
137001 OPIC direct loan		-18	.....
137901 Total downward reestimate budget authority		-18	.....
Direct loan downward reestimate subsidy outlays:			
138001 OPIC direct loan		-18	.....
138901 Total downward reestimate subsidy outlays		-18	.....
Guaranteed loan levels supportable by subsidy budget authority:			
215001 OPIC loan guarantee	541	645	415

215002 On-Lending Loan guarantee levels	225	.....	150
215003 Investment Funds Loan guarantee levels	43	.....	200
215901 Total loan guarantee levels	809	645	765
Guaranteed loan subsidy (in percent):			
232001 OPIC loan guarantee	0.81	1.65	1.70
232002 On-Lending Loan guarantee levels	5.53	0.00	5.70
232003 Investment Funds Loan guarantee levels	11.41	0.00	2.00
232901 Weighted average subsidy rate	2.60	1.71	2.61
Guaranteed loan subsidy budget authority:			
233001 OPIC loan guarantee	4	11	7
233002 On-Lending Loan guarantee levels	12	.....	9
233003 Investment Funds Loan guarantee levels	5	.....	4
233901 Total subsidy budget authority	21	11	20
Guaranteed loan subsidy outlays:			
234001 OPIC loan guarantee	3	3	3
234002 On-Lending Loan guarantee levels		1	2
234003 Investment Funds Loan guarantee levels	2	2	2
234901 Total subsidy outlays	5	6	7
Guaranteed loan upward reestimate subsidy budget authority:			
235001 OPIC loan guarantee	128	159	.....
235901 Total upward reestimate budget authority	128	159	.....
Guaranteed loan upward reestimate subsidy outlays:			
236001 OPIC loan guarantee	128	159	.....
236901 Total upward reestimate subsidy outlays	128	159	.....
Guaranteed loan downward reestimate subsidy budget authority:			
237001 OPIC loan guarantee	-135	-40	.....
237901 Total downward reestimate subsidy budget authority	-135	-40	.....
Guaranteed loan downward reestimate subsidy outlays:			
238001 OPIC loan guarantee	-135	-40	.....
238901 Total downward reestimate subsidy outlays	-135	-40	.....
Administrative expense data:			
351001 Budget authority	23	24	25
358001 Outlays from balances			
359001 Outlays from new authority	23	24	25

The Overseas Private Investment Corporation encourages the participation of United States private sector capital and skills in the economic and social development of developing countries and emerging market economies. Its primary credit program is investment financing through loans and guaranteed loans.

As required by the Federal Credit Reform Act of 1990, the Program Account records the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Object Classification (in millions of dollars)

Identification code 71-0100-0-1-151	2002 actual	2003 est.	2004 est.
25.2 Other services (contracts)	16	24	25
41.0 Grants, subsidies, and contributions	154	188	24
99.9 Total new obligations	170	212	49

Credit accounts—Continued

OVERSEAS PRIVATE INVESTMENT CORPORATION DIRECT LOAN
FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 71-4074-0-3-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct loan obligations	-20	73	40
00.02 Interest on borrowings	10	10	10
00.91 Direct Program by Activities—Subtotal (1 level)	-10	83	50
08.02 Downward DL Reestimate	-10	11	.....
08.04 Interest on Reestimate .....	.....	7	.....
08.91 Direct Program by Activities—Subtotal (1 level) .....	.....	18	.....
10.00 Total new obligations	-10	101	50
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	16	46	45
22.00 New financing authority (gross)	20	100	67
23.90 Total budgetary resources available for obligation	36	146	112
23.95 Total new obligations	10	-101	-50
24.40 Unobligated balance carried forward, end of year	46	45	62
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow .....	.....	65	36
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	22	36	31
68.10 Change in uncollected customer payments from Federal sources (unexpired)	-2	-1	.....
68.90 Spending authority from offsetting collections (total discretionary)	20	35	31
70.00 Total new financing authority (gross)	20	100	67
Change in obligated balances:			
72.40 Obligated balance, start of year	292	208	232
73.10 Total new obligations	-10	101	50
73.20 Total financing disbursements (gross)	-76	-78	-80
74.00 Change in uncollected customer payments from Federal sources (unexpired)	2	1	.....
74.40 Obligated balance, end of year	208	232	202
87.00 Total financing disbursements (gross)	76	78	80

Identification code 71-4074-0-3-151	2002 actual	2003 est.	2004 est.
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-5	-15	-5
88.25 Interest on uninvested funds	-3	-4	-5
Non-Federal sources:			
88.40 Repayments of Principal	-7	-8	-10
88.40 Interest received on loans	-5	-6	-7
88.40 Fees	-2	-3	-4
88.90 Total, offsetting collections (cash)	-22	-36	-31
Against gross financing authority only:			
88.95 Change in receivables from program accounts	2	1	.....
Net financing authority and financing disbursements:			
89.00 Financing authority	65	36	.....
90.00 Financing disbursements	54	42	49

Status of Direct Loans (in millions of dollars)

Identification code 71-4074-0-3-151	2002 actual	2003 est.	2004 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans .....	.....	.....	.....
1121 Limitation available from carry-forward	47	.....	.....
1131 Direct loan obligations exempt from limitation .....	.....	73	40
1150 Total direct loan obligations	47	73	40
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	75	138	171
1231 Disbursements: Direct loan disbursements	73	40	40

1251 Repayments: Repayments and prepayments	-9	-6	-8
1263 Write-offs for default: Direct loans	-1	-1	-1
1290 Outstanding, end of year	138	171	202

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 71-4074-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	19	38	10	9
Investments in US securities:				
1106 Receivables, net	25	23	22	22
1206 Non-Federal assets: Receivables, net	1	.....	.....	.....
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	75	138	56	56
1402 Interest receivable	1	.....	.....	.....
1405 Allowance for subsidy cost (-)	-34	-42	-33	-33
1499 Net present value of assets related to direct loans	42	96	23	23
1999 Total assets	87	157	55	54
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable .....	.....	8	3	3
2103 Debt	58	126	47	47
2105 Other Federal liabilities	25	22	4	3
2207 Non-Federal liabilities: Other	4	1	1	1
2999 Total liabilities	87	157	55	54
4999 Total liabilities and net position	87	157	55	54

OVERSEAS PRIVATE INVESTMENT CORPORATION GUARANTEED LOAN
FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 71-4075-0-3-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Default claims	167	45	45
00.02 Capitalized costs	11	6	6
00.91 Direct Program by Activities—Subtotal (1 level)	178	51	51
08.02 Guaranteed Loan Reestimate	93	30	.....
08.04 Interest on Reestimate	42	10	.....
08.91 Direct Program by Activities—Subtotal (1 level)	135	40	.....
10.00 Total new obligations	313	91	51
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	555	488	654
22.00 New financing authority (gross)	245	257	107
23.90 Total budgetary resources available for obligation	800	745	761
23.95 Total new obligations	-313	-91	-51
24.40 Unobligated balance carried forward, end of year	488	654	710

Identification code 71-4075-0-3-151	2002 actual	2003 est.	2004 est.
New financing authority (gross), detail:			
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	90	98	107
68.10 Change in uncollected customer payments from Federal sources (unexpired)	27	.....	.....
68.90 Spending authority from offsetting collections (total discretionary)	117	98	107
Mandatory:			
69.00 Offsetting collections (cash) Reestimate	128	159	.....
70.00 Total new financing authority (gross)	245	257	107

Change in obligated balances:				
72.40	Obligated balance, start of year	8	-23	92
73.10	Total new obligations	313	91	51
73.20	Total financing disbursements (gross)	-317	24	26
74.00	Change in uncollected customer payments from Federal sources (unexpired)	-27		
74.40	Obligated balance, end of year	-23	92	169
87.00	Total financing disbursements (gross)	317	-24	-26
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
Federal sources:				
88.00	Federal sources: Payments from program account	25	-6	-7
88.00	Federal sources: Reestimate from 71-0100	-128	-159	
88.25	Interest on uninvested funds	-39	-5	-7
Non-Federal sources:				
88.40	Claim recoveries	-7	-7	-9
88.40	Fees	-69	-80	-84
88.90	Total, offsetting collections (cash)	-218	-257	-107
Against gross financing authority only:				
88.95	Change in receivables from program accounts	-27		
Net financing authority and financing disbursements:				
89.00	Financing authority			
90.00	Financing disbursements	99	-281	-133

Status of Guaranteed Loans (in millions of dollars)

Identification code 71-4075-0-3-151	2002 actual	2003 est.	2004 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders		
2121	Limitation available from carry-forward	809	
2131	Guaranteed loan commitments exempt from limitation		765
2143	Uncommitted limitation carried forward (-)		
2150	Total guaranteed loan commitments	809	765
2199	Guaranteed amount of guaranteed loan commitments	809	765
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	3,350	3,513
2231	Disbursements of new guaranteed loans	525	525
2251	Repayments and prepayments	-200	-200
2261	Adjustments: Terminations for default that result in loans receivable	-162	-45
2290	Outstanding, end of year	3,513	3,793
2290	Outstanding, end of year	3,513	3,793
2290	Outstanding, end of year	3,513	3,793
2299	Guaranteed amount of guaranteed loans outstanding, end of year	3,513	3,793
2299	Guaranteed amount of guaranteed loans outstanding, end of year	3,513	3,793
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year	49	204
2331	Disbursements for guaranteed loan claims	162	45
2351	Repayments of loans receivable	-7	-7
2390	Outstanding, end of year	204	242

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from commitments in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 71-4075-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
1101	Federal assets: Fund balances with Treasury	564	460	465
1206	Non-Federal assets: Receivables, net	17	20	20

1501	Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:				
	Defaulted guaranteed loans receivable, gross	49	204	242	284
1599	Net present value of assets related to defaulted guaranteed loans	49	204	242	284
1999	Total assets	630	684	727	774
LIABILITIES:					
Non-Federal liabilities:					
2204	Liabilities for loan guarantees	566	664	707	754
2207	Other non-fed	29	20	20	20
2999	Total liabilities	595	684	727	774
NET POSITION:					
3300	Cumulative results of operations	35			
3999	Total net position	35			
4999	Total liabilities and net position	630	684	727	774

OVERSEAS PRIVATE INVESTMENT CORPORATION LIQUIDATING ACCOUNT**Program and Financing (in millions of dollars)**

Identification code 71-4030-0-3-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01	Anticipated claim payment		1
10.00	Total new obligations (object class 33.0)		1
Budgetary resources available for obligation:			
22.00	New budget authority (gross)	3	1
22.40	Capital transfer to general fund	-3	
23.90	Total budgetary resources available for obligation		1
23.95	Total new obligations		-1
New budget authority (gross), detail:			
Mandatory:			
69.00	Offsetting collections (cash)	3	1
Change in obligated balances:			
72.40	Obligated balance, start of year	1	1
73.10	Total new obligations		1
73.20	Total outlays (gross)		-1
74.40	Obligated balance, end of year	1	1
Outlays (gross), detail:			
86.97	Outlays from new mandatory authority		1
Offsets:			
Against gross budget authority and outlays:			
88.40	Offsetting collections (cash) from: Non-Federal sources	-3	-1
Net budget authority and outlays:			
89.00	Budget authority		
90.00	Outlays	-3	

Status of Direct Loans (in millions of dollars)

Identification code 71-4030-0-3-151	2002 actual	2003 est.	2004 est.
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	1	1
1251	Repayments: Repayments and prepayments		
1290	Outstanding, end of year	1	1

Status of Guaranteed Loans (in millions of dollars)

Identification code 71-4030-0-3-151	2002 actual	2003 est.	2004 est.
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	26	17
2251	Repayments and prepayments	-9	-9
2261	Adjustments: Terminations for default that result in loans receivable		-1

Credit accounts—Continued

OVERSEAS PRIVATE INVESTMENT CORPORATION LIQUIDATING
ACCOUNT—Continued

Status of Guaranteed Loans (in millions of dollars)—Continued

Identification code 71-4030-0-3-151	2002 actual	2003 est.	2004 est.
2290 Outstanding, end of year	17	7	
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	17	7	
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	20	17	14
2331 Disbursements for guaranteed loan claims		1	
2351 Repayments of loans receivable	-3	-4	-5
2390 Outstanding, end of year	17	14	9

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year) is recorded in corresponding program, financing, and noncredit accounts.

Statement of Operations (in millions of dollars)

Identification code 71-4030-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
0101 Revenue	13	3	1	1
0102 Expense	-13		-1	-1
0105 Net income or loss (-)		3		

Balance Sheet (in millions of dollars)

Identification code 71-4030-0-3-151	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	1	4	2	
Investments in US securities:				
1106 Federal Receivables				
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross		1		
1603 Allowance for estimated uncollectible loans and interest (-)		-1		
1699 Value of assets related to direct loans				
1701 Defaulted guaranteed loans, gross	19	17	7	
1703 Allowance for estimated uncollectible loans and interest (-)	-11	-7		
1704 Defaulted guaranteed loans and interest receivable, net	8	10	7	
1706 Defaulted guaranty acquired	2			
1799 Value of assets related to loan guarantees	10	10	7	
1999 Total assets	11	14	9	
LIABILITIES:				
Federal liabilities: Resources payable to Treasury				
2207 Non-Federal liabilities: Other	1		9	
2999 Total liabilities	1	14	9	
NET POSITION:				
3300 Cumulative results of operations	10			
3999 Total net position	10			
4999 Total liabilities and net position	11	14	9	

TRADE AND DEVELOPMENT AGENCY

Federal Funds

General and special funds:

TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, \$60,000,000, to remain available until September 30, 2005.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-1001-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Feasibility studies, and other activities	75	48	53
00.02 Operating expenses	8	8	8
10.00 Total new obligations	83	56	61
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	27	9	
22.00 New budget authority (gross)	62	45	60
22.10 Resources available from recoveries of prior year obligations	5	2	1
22.22 Unobligated balance transferred from other accounts	1		
23.90 Total budgetary resources available for obligation	95	56	61
23.95 Total new obligations	-83	-56	-61
23.98 Unobligated balance expiring or withdrawn	-3		
24.40 Unobligated balance carried forward, end of year	9		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	50	45	60
42.00 Transferred from other accounts	12		
43.00 Appropriation (total discretionary)	62	45	60
Change in obligated balances:			
72.40 Obligated balance, start of year	88	108	106
73.10 Total new obligations	83	56	61
73.20 Total outlays (gross)	-59	-55	-73
73.45 Recoveries of prior year obligations	-5	-2	-1
74.40 Obligated balance, end of year	108	106	93
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	18	11	14
86.93 Outlays from discretionary balances	41	44	59
87.00 Total outlays (gross)	59	55	73
Net budget authority and outlays:			
89.00 Budget authority	62	45	60
90.00 Outlays	59	55	73

Appropriated funds provide for the costs of the U.S. Trade and Development Agency (TDA), which include: program costs of grants for technical assistance, feasibility studies, and other project planning activities designed to implement development, trade and foreign policy objectives; and, the cost of managing the TDA programs such as salaries and expenses of direct hire personnel, and obtaining the services of consultants. TDA finances these activities for major projects in developing and middle-income nations to foster economic development and to encourage the use of U.S. private sector technology, goods, and services in project implementation.

Object Classification (in millions of dollars)

Identification code 11-1001-0-1-151	2002 actual	2003 est.	2004 est.
11.1 Personnel compensation: Full-time permanent	3	3	3
12.1 Civilian personnel benefits	1	1	1
25.1 Advisory and assistance services	4	4	4
41.0 Grants, subsidies, and contributions	75	48	53
99.9 Total new obligations	83	56	61

Personnel Summary

Identification code 11-1001-0-1-151	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	41	50	50

PEACE CORPS

Federal Funds

General and special funds:

PEACE CORPS

For necessary expenses to carry out the provisions of the Peace Corps Act (75 Stat. 612), \$359,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: Provided, That none of the funds appropriated under this heading shall be used to pay for abortions: Provided further, That funds appropriated under this heading shall remain available until September 30, 2005.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-0100-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
00.02 Africa region	54	65	80
00.03 Europe, Mediterranean & Asia region	39	47	55
00.04 Inter-America & Pacific region	46	52	60
00.05 Other volunteer support	133	170	164
00.06 ERF for Country Evacuations	1		
09.01 Reimbursable program	4	5	4
10.00 Total new obligations	277	339	363
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	11	21	4
22.00 New budget authority (gross)	283	322	363
22.22 Unobligated balance transferred from other accounts	4		
23.90 Total budgetary resources available for obligation	298	343	367
23.95 Total new obligations	-277	-339	-363
24.40 Unobligated balance carried forward, end of year	21	4	4
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	275	317	359
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	4	5	4
68.10 Change in uncollected customer payments from Federal sources (unexpired)	4		
68.90 Spending authority from offsetting collections (total discretionary)	8	5	4
70.00 Total new budget authority (gross)	283	322	363
Change in obligated balances:			
72.40 Obligated balance, start of year	88	84	113
73.10 Total new obligations	277	339	363
73.20 Total outlays (gross)	-276	-311	-385
73.40 Adjustments in expired accounts (net)	-1		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-4		
74.40 Obligated balance, end of year	84	113	91
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	199	258	290
86.93 Outlays from discretionary balances	77	53	95
87.00 Total outlays (gross)	276	311	385
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-3	-4	-3

88.40 Non-Federal sources	-1	-1	-1
88.90 Total, offsetting collections (cash)	-4	-5	-4
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-4		

Net budget authority and outlays:

89.00 Budget authority	275	317	359
90.00 Outlays	271	306	381

Additional net budget authority and outlays to cover cost of fully accruing retirement:

99.00 Budget authority	3	3	3
99.01 Outlays	3	3	3

Peace Corps' operating expenses will provide direct and indirect support for Americans engaged in voluntary services in approximately 78 countries worldwide in 2004. The support will include the necessary safety and security provisions for the Peace Corps' Volunteers, trainees, and staff. By September 2004, there will be approximately 10,000 Americans enrolled in the Peace Corps, consistent with the President's goal of 14,000 volunteers by 2007. The Volunteers help fill the trained manpower needs of developing countries and encourage self-sustaining development of skilled manpower. The Peace Corps promotes mutual understanding between the peoples of the developing world and the United States and focuses the attention of the American people on the benefits of volunteerism. Peace Corps Volunteers work primarily in the areas of agriculture, education, economic development, health, and environment.

Object Classification (in millions of dollars)

Identification code 11-0100-0-1-151	2002 actual	2003 est.	2004 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	50	67	68
11.3 Other than full-time permanent	3	1	4
11.5 Other personnel compensation	1		2
11.9 Total personnel compensation	54	68	74
12.1 Civilian personnel benefits	64	73	83
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	28	38	41
22.0 Transportation of things	2	2	2
23.1 Rental payments to GSA	7	9	7
23.2 Rental payments to others	9	9	12
23.3 Communications, utilities, and miscellaneous charges	7	8	8
24.0 Printing and reproduction	1	2	2
25.1 Advisory and assistance services	5		8
25.2 Other services	43	75	60
25.3 Other purchases of goods and services from Government accounts	8	7	5
25.4 Operation and maintenance of facilities	1		1
25.6 Medical care	13	16	20
25.7 Operation and maintenance of equipment	1		2
26.0 Supplies and materials	12	12	15
31.0 Equipment	17	14	18
99.0 Direct obligations	273	334	359
99.0 Reimbursable obligations	4	5	4
99.9 Total new obligations	277	339	363

Personnel Summary

Identification code 11-0100-0-1-151	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	999	1,224	1,285
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	2	3	3

General and special funds—Continued**PEACE CORPS MISCELLANEOUS TRUST FUNDS****Unavailable Collections** (in millions of dollars)

Identification code 11-9972-0-7-151	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year			
Receipts:			
02.00 Miscellaneous trust funds, Peace Corps	1	3	2
Appropriations:			
05.00 Peace Corps miscellaneous trust fund	-1	-3	-2
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 11-9972-0-7-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Trust Fund Program	2	2	2
10.00 Total new obligations	2	2	2
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	6	5	6
22.00 New budget authority (gross)	1	3	2
23.90 Total budgetary resources available for obligation	7	8	8
23.95 Total new obligations	-2	-2	-2
24.40 Unobligated balance carried forward, end of year	5	6	6
New budget authority (gross), detail:			
Mandatory:			
60.26 Appropriation (trust fund)	1	3	2
Change in obligated balances:			
72.40 Obligated balance, start of year	1	1	1
73.10 Total new obligations	2	2	2
73.20 Total outlays (gross)	-2	-2	-2
74.40 Obligated balance, end of year	1	1	1
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	2	2	2
Net budget authority and outlays:			
89.00 Budget authority	1	3	2
90.00 Outlays	2	2	2

Miscellaneous contributions received by gift, devise, bequest, or from foreign governments are used for the furtherance of the program, as authorized by 22 U.S.C. 2509(a)(4) (75 Stat. 612, as amended). Trust funds also include a fund to pay separation costs for Foreign Service National employees of the Peace Corps in those countries in which such pay is legally authorized. The fund, as authorized by Section 151 of Public Law 102-138, is maintained by annual Government contributions which are appropriated in the Peace Corps salaries and expenses account.

Object Classification (in millions of dollars)

Identification code 11-9972-0-7-151	2002 actual	2003 est.	2004 est.
25.2 Direct obligations: Other services	1	1	1
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	2	2	2

INTER-AMERICAN FOUNDATION**Federal Funds****General and special funds:****INTER-AMERICAN FOUNDATION**

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, \$15,185,000, to remain available until September 30, 2005.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-3100-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Development grants	13	16	17
00.02 Evaluations and other activities	2	3	3
00.04 Program management and operations	6	6	6
10.00 Total new obligations	21	25	26
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	7	2	2
22.00 New budget authority (gross)	14	25	26
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	22	27	28
23.95 Total new obligations	-21	-25	-26
24.40 Unobligated balance carried forward, end of year	2	2	2
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	13	14	15
68.00 Spending authority from offsetting collections: Offsetting collections (SPTF)	1	11	11
70.00 Total new budget authority (gross)	14	25	26
Change in obligated balances:			
72.40 Obligated balance, start of year	30	25	28
73.10 Total new obligations	21	25	26
73.20 Total outlays (gross)	-24	-22	-30
73.40 Adjustments in expired accounts (net)	-1		
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	25	28	24
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	8	12	12
86.93 Outlays from discretionary balances	16	10	18
87.00 Total outlays (gross)	24	22	30
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1	-11	-11
Net budget authority and outlays:			
89.00 Budget authority	13	14	15
90.00 Outlays	23	11	19

Established by the 1969 Foreign Assistance Act, the Inter-American Foundation (IAF) supports grassroots development initiatives in Latin America and the Caribbean with a direct impact on the lives and the capacity for self reliance of people at the lowest economic levels. In 2003, the IAF will continue its strategic programming approaches that focus on: (1) building partnerships among grassroots organizations, non-governmental organizations, local governments, and private enterprises to foster social and economic development at the local level; and, (2) increasing the participation of U.S. corporate and national private business sector resources in grassroots development initiatives. This strategy promotes social investment in Latin America and the Caribbean by the U.S. and local private business sector to improve the quality of life of the poor in the region. The IAF will continue to apply its system of measuring the results of its grants to improve Foundation decision-making and identify and disseminate good practice and lessons to new private sector contributors and development practitioners. Using results and evaluation information, the IAF will incorporate lessons learned into the IAF's strategic planning and grant decision-making processes. The IAF will continue to implement an integrated program management information system which will increase effi-

ciency in its operations and facilitate grant monitoring and results reporting.

Development Grants.—This activity includes grants made directly to local private, non-profit organizations working in partnerships with businesses and local authorities to carry out development projects in Latin America and the Caribbean. In 2004, the IAF plans to award approximately 70 new grants and 15 supplemental grants in 14 countries.

Evaluations and Other Activities.—This activity covers grant results assessments by in-country specialists and evaluations from a sample of the grants supported by the IAF. This activity also includes the publications that convey the IAF's partnership, corporate social responsibility and grassroots democracy experiences, and lessons to businesses, development practitioners, members of partnerships, and other donors.

Program Management and Operation.—This activity includes Foundation expenses for salaries and benefits, travel, reimbursable service agreements with other Federal agencies, rent, service contracts, and other support costs.

Object Classification (in millions of dollars)

Identification code 11-3100-0-1-151	2002 actual	2003 est.	2004 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	3	3	3
12.1 Civilian personnel benefits	1	1	1
23.2 Rental payments to others	1	1	1
25.1 Advisory and assistance services	2	3	3
41.0 Grants, subsidies, and contributions	14	16	17
99.0 Direct obligations	21	24	25
99.5 Below reporting threshold		1	1
99.9 Total new obligations	21	25	26

Personnel Summary

Identification code 11-3100-0-1-151	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	43	47	47

AFRICAN DEVELOPMENT FOUNDATION

Federal Funds

General and special funds:

AFRICAN DEVELOPMENT FOUNDATION

To carry out title V of the International Security and Development Cooperation Act of 1980, Public Law 96-533, \$17,689,000, to remain available until September 30, 2005: Provided, That funds made available to recipients may be invested pending expenditure for project purposes when authorized by the board of directors of the Foundation: Provided further, That interest earned shall be used only for the purposes for which the grant was made: Provided further, That notwithstanding section 505(a)(2) of the African Development Foundation Act, in exceptional circumstances the board of directors of the Foundation may waive the \$250,000 limitation contained in that section with respect to a project: Provided further, That the Foundation shall provide a report to the Committees on Appropriations after each time such waiver authority is exercised.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 11-0700-0-1-151	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Advance sustainable development and empowerment of the poor in Africa	15	15	13
00.02 Enhance US assistance and relations with Africa	3	4	4

00.03 Expand use of participatory development policies and practices	1		
00.04 Internal agency objectives	1	1	1
10.00 Total new obligations	20	20	18

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	5	3	
22.00 New budget authority (gross)	17	17	18
22.10 Resources available from recoveries of prior year obligations	3		
23.90 Total budgetary resources available for obligation	24	20	18
23.95 Total new obligations	-20	-20	-18
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year	3		

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	17	17	18

Change in obligated balances:

72.40 Obligated balance, start of year	11	15	18
73.10 Total new obligations	20	20	18
73.20 Total outlays (gross)	-13	-18	-15
73.45 Recoveries of prior year obligations	-3		
74.40 Obligated balance, end of year	15	18	19

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	6	8	8
86.93 Outlays from discretionary balances	7	10	7
87.00 Total outlays (gross)	13	18	15

Net budget authority and outlays:

89.00 Budget authority	17	17	18
90.00 Outlays	14	18	15

The African Development Foundation (ADF), a public corporation, is the only agency of the U.S. Government that directly supports community-based initiatives to alleviate poverty and promote sustainable development in Africa. Through its grant program, ADF provides Africans with the resources necessary to identify and solve their own problems. ADF relies on participatory development approaches that strengthen local capacity, foster ownership of development projects, and promote self-help and empowerment.

In 2004, ADF will provide grants to recipients in fourteen African countries, either directly to grassroots groups or through non-governmental organizations. These grants will promote the following three strategic goals:

(1) *Advance broad-based, sustainable development and empowerment of the poor in Africa.*—ADF will promote micro- and small-enterprise development to generate income and employment. ADF will increase participation of African businesses and producer groups in trade and investment relationships with the U.S. and within Africa. ADF will support community-based HIV/AIDS prevention and mitigation.

(2) *Expand local capacity to promote and support grassroots, participatory development.*—ADF will build self-supporting, sustainable, local community development agencies that provide technical assistance and support to grassroots groups. ADF will develop and replicate new models for community reinvestment. ADF will continue to leverage additional funding through strategic partnerships with national and local governments, other donor agencies, and the local private sector. ADF will encourage African governments and other donors to increase utilization of participatory development “best practices”.

(3) *Enhance American assistance and strengthen U.S. relations with Africa.*—ADF will seek to leverage resources for grassroots development through strategic partnerships with the U.S. private sector and other U.S. Government agencies. ADF will work toward improving program and policy coordination with U.S. foreign assistance and foreign policy agencies.

General and special funds—Continued

AFRICAN DEVELOPMENT FOUNDATION—Continued

Object Classification (in millions of dollars)

Identification code 11-0700-0-1-151	2002 actual	2003 est.	2004 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	3	3	3
25.2 Other services (O.C. 25)	3	3	3
41.0 Grants, subsidies, and contributions	13	13	11
99.0 Direct obligations	19	19	17
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	20	20	18

Personnel Summary

Identification code 11-0700-0-1-151	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	27	32	32

INTERNATIONAL MONETARY PROGRAMS**Federal Funds****General and special funds:**

UNITED STATES QUOTA IN THE INTERNATIONAL MONETARY FUND

Program and Financing (in millions of dollars)

Identification code 11-0003-0-1-155	2002 actual	2003 est.	2004 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	17,859	19,580	19,580
22.10 Resources available from recoveries of prior year obligations	1,651	.....	.....
23.90 Total budgetary resources available for obligation	19,510	19,580	19,580
23.98 Adjustment of \$ equivalent	69	.....	.....
24.40 Unobligated balance carried forward, end of year	19,580	19,580	19,580
Change in obligated balances:			
72.40 Obligated balance, start of year	29,479	28,273	28,273
73.20 Total outlays (gross)	446	.....	.....
73.45 Recoveries of prior year obligations	-1,651	.....	.....
74.40 Obligated balance, end of year	28,273	28,273	28,273
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	-446	.....	.....
Net budget authority and outlays:			
89.00 Budget authority .....	.....	.....	.....
90.00 Outlays	-446	.....	.....

As part of a general increase in IMF quota resources, on November 17, 1998, the United States consented to an increase in its quota to SDR 37,149.3 million (about \$52 billion at that time). The increase in the U.S. quota involves no net budget outlays. Similarly, use by the IMF of the quota commitment does not result in net budget outlays because the United States receives an increase in its international monetary reserves corresponding to any transfer of dollars under the U.S. quota subscription. The United States can use these interest-bearing reserves to meet a balance of payments financing need.

FOR LOANS TO THE INTERNATIONAL MONETARY FUND—NEW ARRANGEMENTS TO BORROW

Program and Financing (in millions of dollars)

Identification code 11-0074-0-1-155	2002 actual	2003 est.	2004 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	8,652	8,878	8,652
23.98 Adjustment of \$ equivalent	226	.....	.....
24.40 Unobligated balance carried forward, end of year	8,878	8,652	8,652
Net budget authority and outlays:			
89.00 Budget authority .....	.....	.....	.....
90.00 Outlays .....	.....	.....	.....

The General Arrangements to Borrow (GAB) were established in 1962 by 10 industrial countries, including the United States, as a means of supplementing the IMF's resources when needed to forestall or cope with an impairment of the international monetary system. GAB members agreed in early 1983 to increase their financial commitments to the GAB from approximately SDR 6.3 billion to SDR 17 billion, with the U.S. share rising from \$2.0 billion to approximately \$6.4 billion.

In January 1997, the Executive Board of the IMF approved the creation of the New Arrangements to Borrow (NAB) to further supplement resources available to the IMF to forestall or cope with an impairment of the international monetary system or to deal with an exceptional situation that poses a threat to the stability of the system. The NAB became effective on November 17, 1998. In 2002, twenty-five countries and institutions participated in the NAB through a set of credit arrangements with the IMF totaling SDR 34 billion (about \$48 billion on the date of establishment), of which the U.S. share is approximately SDR 6.7 billion (about \$9.0 billion at end-December 2002). Chile is in the process of becoming the twenty-sixth member. Although the GAB continues to exist, the sum of loans advanced under the NAB and GAB cannot exceed SDR 34 billion. The sum of U.S. loans advanced under both arrangements cannot exceed the U.S. share of the NAB.

Financing extended by the United States under the GAB and NAB does not result in any net budget outlays because such financing results in an equivalent increase in U.S. international reserve assets in the form of a claim on the IMF.

During 1998 (July), the IMF made one call on GAB participants in support of an assistance program for Russia, of which the U.S. share was approximately \$483 million. On December 15, 1998, the IMF made a call on NAB participants in support of an assistance program for Brazil, of which the U.S. share was approximately \$860 million. The GAB and NAB loans were paid back in full on March 11, 1999. Since 1999, no calls were made on GAB or NAB participants, and no loans were outstanding at the end of the fiscal year.

MILITARY SALES PROGRAMS**Federal Funds****Public enterprise funds:**

SPECIAL DEFENSE ACQUISITION FUND

Program and Financing (in millions of dollars)

Identification code 11-4116-0-3-155	2002 actual	2003 est.	2004 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	28	28	18
22.10 Resources available from recoveries of prior year obligations	8	.....	.....
22.40 Capital transfer to general fund	-8	-10	-10

23.90	Total budgetary resources available for obligation	28	18	8
24.40	Unobligated balance carried forward, end of year	28	18	8
New budget authority (gross), detail:				
Spending authority from offsetting collections:				
Discretionary:				
68.00	Offsetting collections (cash)	2		
68.27	Capital transfer to general fund	-2		
68.90	Spending authority from offsetting collections (total discretionary)			
Change in obligated balances:				
72.40	Obligated balance, start of year	16	8	3
73.20	Total outlays (gross)	2	-5	-3
73.45	Recoveries of prior year obligations	-8		
74.40	Obligated balance, end of year	8	3	
Outlays (gross), detail:				
86.93	Outlays from discretionary balances	-2	5	3
Offsets:				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources	-2		
Net budget authority and outlays:				
89.00	Budget authority	-2		
90.00	Outlays	-4	5	3

This fund shows the financing transactions related to the procurement of defense articles prior to orders being placed by foreign countries and international organizations. This program is being phased out.

Trust Funds

FOREIGN MILITARY SALES TRUST FUND

Unavailable Collections (in millions of dollars)

Identification code 11-8242-0-7-155	2002 actual	2003 est.	2004 est.
01.99	Balance, start of year		
Receipts:			
02.20	Deposits, advances, foreign military sales	11,225	12,259
Appropriations:			
05.00	Foreign military sales trust fund	-11,225	-12,259
07.99	Balance, end of year		

Program and Financing (in millions of dollars)

Identification code 11-8242-0-7-155	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
09.01	Military personnel	83	90
09.02	Operations and maintenance	312	298
09.03	Procurement	11,638	11,638
09.04	Research, development, test and evaluation	20	27
09.06	Revolving and management funds	711	827
09.07	Construction	95	96
09.08	Other	355	356
10.00	Total new obligations (object class 25.3)	13,214	13,332
Budgetary resources available for obligation:			
22.00	New budget authority (gross)	13,214	13,332
23.95	Total new obligations	-13,214	-13,332
New budget authority (gross), detail:			
Mandatory:			
60.26	Appropriation (trust fund)	11,225	12,259
60.49	Portion applied to liquidate contract authority	-11,225	-12,259
62.50	Appropriation (total mandatory)		
66.10	Contract authority	13,214	13,332
70.00	Total new budget authority (gross)	13,214	13,332
Change in obligated balances:			
72.40	Obligated balance, start of year	18,781	20,932

73.10	Total new obligations	13,214	13,332	9,077
73.20	Total outlays (gross)	-11,062	-12,259	-11,974
74.40	Obligated balance, end of year	20,932	22,005	19,108

Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	1,587	1,502	1,068
86.98	Outlays from mandatory balances	9,475	10,757	10,906
87.00	Total outlays (gross)	11,062	12,259	11,974

Net budget authority and outlays:				
89.00	Budget authority	13,214	13,332	9,077
90.00	Outlays	11,062	12,259	11,974

Status of Contract Authority (in millions of dollars)

Identification code 11-8242-0-7-155	2002 actual	2003 est.	2004 est.
Contract authority:			
0200	Contract authority	13,214	13,332
0400	Appropriation to liquidate contract authority	-11,225	-12,259

This trust fund facilitates government-to-government sales of defense articles, defense services, and design and construction services. Estimates of sales used in this budget are (in millions of dollars):

ESTIMATES OF NEW SALES

	2002 actual	2003 est.	2004 est.
Estimates of new orders (sales)	12,500	14,200	8,900

Orders placed through this trust fund can be combined with procurement for U.S. military departments. The savings are shared by the United States and foreign governments. The net impact of foreign military sales on the budget is (in millions of dollars):

FMS TRUST FUND TRANSACTIONS

	2002 actual	2003 est.	2004 est.
Obligations of the fund	13,214	13,332	9,077
Receipts from foreign governments (appropriation)	-11,225	-12,259	-11,974
Net budget authority	1,989	1,073	-2,897
Payments from the fund (outlays)	11,062	12,259	11,974
Receipts from foreign governments (appropriation)	-11,225	-12,259	-11,974
Net outlays	-163	0	0

SPECIAL ASSISTANCE FOR CENTRAL AMERICA

Federal Funds

General and special funds:

DEMobilization and Transition Fund

Program and Financing (in millions of dollars)

Identification code 72-1500-0-1-152	2002 actual	2003 est.	2004 est.
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	1	1
24.40	Unobligated balance carried forward, end of year	1	1
Net budget authority and outlays:			
89.00	Budget authority		
90.00	Outlays		

Funds for this account were transferred from Foreign Military Financing pursuant to P.L. 101-513 to support costs of demobilization, retraining, relocation, and reemployment in civilian pursuits of former combatants in the conflict in El Salvador.

General and special funds—Continued

CENTRAL AMERICAN RECONCILIATION ASSISTANCE

Program and Financing (in millions of dollars)

Identification code 72-1038-0-1-152	2002 actual	2003 est.	2004 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	1	1
24.40 Unobligated balance carried forward, end of year	1	1	1
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

Funds for this account were transferred from the Department of Defense in accordance with Public Law 101-14 in order to provide humanitarian assistance to the Nicaraguan democratic resistance. Adjustments to the account were made in Public Law 101-119 and Public Law 101-215.

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2002 actual	2003 est.	2004 est.
Offsetting receipts from the public:			
11-272330 Debt restructuring, Downward reestimates of subsidies		4	
11-272430 Foreign military financing, Downward reestimates of subsidies	16	522	
71-274930 Overseas Private Investment Corporation loans, downward reestimates of subsidy	135	58	
72-273030 Microenterprise and small enterprise development, Downward reestimates of subsidies	1		
72-273130 Assistance for the new independent states of the former Soviet Union: Ukraine export credit insurance, Downward reestimates	34		
72-274430 Urban and environmental credit program, downward reestimates of subsidies	14	30	
72-275230 Development credit authority program account, downward reestimates of loan guarantees	1		
General Fund Offsetting receipts from the public	201	614	

TITLE V—GENERAL PROVISIONS

OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 501. Except for the appropriations entitled "International Disaster Assistance", and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 percent of any appropriation item made available by this Act shall be obligated during the last month of availability.

LIMITATION ON RESIDENCE EXPENSES

SEC. 502. Of the funds appropriated or made available pursuant to this Act, not to exceed \$100,500 shall be for official residence expenses of the United States Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed \$5,000 shall be for entertainment expenses of the United States Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed \$125,000 shall be available for representation allowances for the United States Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: Pro-

vided further, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", not to exceed \$4,000 shall be available for entertainment expenses and not to exceed \$125,000 shall be available for representation allowances: Provided further, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed \$50,000 shall be available for entertainment allowances: Provided further, That of the funds made available by this Act for the Inter-American Foundation, not to exceed \$2,000 shall be available for entertainment and representation allowances: Provided further, That of the funds made available by this Act for the Peace Corps, not to exceed a total of \$4,000 shall be available for entertainment expenses: Provided further, That of the funds made available by this Act under the heading "Trade and Development Agency", not to exceed \$4,000 shall be available for representation and entertainment allowances.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 505. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or Syria unless the President determines that assistance to such country is in the national interest of the United States: Provided, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 506. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to the government of any country whose duly elected head of government is deposed by military coup or decree: Provided, That assistance may be resumed to such government if the President determines and certifies to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office: Provided further, That the provisions of this section shall not apply to assistance to promote democratic elections or public participation in democratic processes or if the President determines that assistance to such country is in the national interest of the United States: Provided further, That funds made available pursuant to the previous provisos shall be subject to the regular notification procedures of the Committees on Appropriations.

TRANSFERS BETWEEN ACCOUNTS

SEC. 507. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate.

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 508. Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: Provided, That the authority of this subsection may not be used in fiscal year 2004.

AVAILABILITY OF FUNDS

SEC. 509. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: Provided, That funds appropriated for the purposes of chapters 1, 8, 11, and 12 of part I, section 667, chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, section 23 of the Arms Export Control Act, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available for an additional four years from the date on which the availability of such funds would otherwise have expired, if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: Provided further, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements

in order to address balance of payments or economic policy reform objectives, shall remain available until expended.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 510. No part of any appropriation contained in this Act shall be used to furnish assistance to the government of any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to the government of such country by the United States pursuant to a program for which funds are appropriated under this Act unless the President determines that assistance to such country is in the national interest of the United States.

NOTIFICATION REQUIREMENTS

SEC. 511. For the purposes of providing the executive branch with the necessary administrative flexibility, none of the funds made available under this Act for “Child Survival and Health Programs Fund”, “Development Assistance”, “International Organizations and Programs”, “Trade and Development Agency”, “International Narcotics Control and Law Enforcement”, “Andean Counterdrug Initiative”, “Assistance for Eastern Europe and the Baltic States”, “Assistance for the Independent States of the Former Soviet Union”, “Economic Support Fund”, “Peacekeeping Operations”, “Operating Expenses of the United States Agency for International Development”, “Capital Investment Fund”, “Operating Expenses of the United States Agency for International Development Office of Inspector General”, “Nonproliferation, Anti-terrorism, Demining and Related Programs”, “Foreign Military Financing Program”, “International Military Education and Training”, “Peace Corps”, and “Migration and Refugee Assistance”, shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are notified 15 days in advance: Provided, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 percent in excess of the quantities justified to Congress unless the Committees on Appropriations are notified 15 days in advance of such commitment: Provided further, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 percent of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: Provided further, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: Provided further, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than 3 days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: Provided further, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 512. Subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of section 307(a) of the Foreign Assistance Act of 1961, shall remain available for obligation until September 30, 2005.

INDEPENDENT STATES OF THE FORMER SOVIET UNION

SEC. 513. Funds appropriated in this or prior appropriations Acts that are or have been made available for an Enterprise Fund in the Independent States of the Former Soviet Union may be deposited by such Fund in interest-bearing accounts prior to the disbursement of such funds by the Fund for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made avail-

able for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 514. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations.

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 515. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 2003, for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs, and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: Provided, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 516. For the purpose of this Act, “program, project, and activity” shall be defined at the appropriations Act account level and shall include all appropriations and authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts, Economic Support Fund and Foreign Military Financing Program, “program, project, and activity” shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the United States Agency for International Development, “program, project, and activity” shall also be considered to include central program level funding, either as: (1) justified to the Congress; or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within 30 days of the enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

CHILD SURVIVAL AND HEALTH ACTIVITIES

SEC. 517. Up to \$15,500,000 of the funds made available by this Act for assistance under the heading, “Child Survival and Health Programs Fund”, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the United States Agency for International Development for the purpose of carrying out activities under that heading: Provided, That up to \$3,000,000 of the funds made available by this Act for assistance under the heading, “Development Assistance”, may be used to reimburse such agencies, institutions, and organizations for such costs of such individuals carrying out other development assistance activities: Provided further, That funds appropriated by this Act that are made available for child survival activities or health programs including activities relating to research on, and the prevention, treatment and control of, HIV/AIDS may be made available notwithstanding any other provision of law: Provided further, That funds appropriated under title II of this Act may be made available pursuant to section 301 of the Foreign Assistance Act of 1961 if a primary purpose of the assistance is for child survival and related programs.

DEMOCRACY PROGRAMS

SEC. 518. (a) Funds appropriated by this Act that are provided to the National Endowment for Democracy may be made available notwithstanding any other provision of law or regulation: Provided, That notwithstanding any other provision of law, funds appropriated

DEMOCRACY PROGRAMS—Continued

by this Act to carry out provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, may be made available for assistance for activities to support democracy, human rights, and the rule of law in the People's Republic of China.

(b) Funds appropriated by this Act under the heading "Economic Support Fund" may be made available, notwithstanding any other provision of law, for programs and activities to foster democracy, human rights, press freedoms, women's development, and the rule of law in countries with a significant Muslim population, and where such programs and activities would be important to United States efforts to respond to, deter, or prevent acts of international terrorism: Provided, That funds made available pursuant to the authority of this subsection should support new initiatives or bolster ongoing programs and activities in those countries.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 519. (a) Funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to the enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism; or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least 15 days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

DEBT-FOR-DEVELOPMENT

SEC. 520. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the United States Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 521. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, "international financial institutions" are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. 522. None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

AUTHORITIES FOR THE PEACE CORPS, INTER-AMERICAN FOUNDATION AND AFRICAN DEVELOPMENT FOUNDATION

SEC. 523. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act or the African Development Foundation Act. The agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 524. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States; or

(b) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 507(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: Provided, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

SPECIAL AUTHORITIES

SEC. 525. (a) AFGHANISTAN, PAKISTAN, LEBANON, MONTENEGRO, VICTIMS OF WAR, DISPLACED CHILDREN, AND DISPLACED BURMESE.—Funds appropriated in this Act that are made available for Afghanistan, Pakistan, Lebanon, Montenegro, and for victims of war, displaced children, and displaced Burmese, and to assist victims of trafficking in persons and, subject to the regular notification procedures of the Committees on Appropriations, to combat such trafficking, may be made available notwithstanding any other provision of law: Provided, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985.

(b) TROPICAL FORESTRY AND BIODIVERSITY CONSERVATION ACTIVITIES.—Funds appropriated by this Act to carry out the provisions of sections 103 through 106, and chapter 4 of part II, of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and biodiversity conservation activities and energy programs aimed at reducing greenhouse gas emissions: Provided, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) PERSONAL SERVICES CONTRACTORS.—Funds appropriated by this Act to carry out chapter 1 of part I, chapter 4 of part II, and section 667 of the Foreign Assistance Act of 1961, and title II of the Agricultural Trade Development and Assistance Act of 1954, may be used by the United States Agency for International Development to employ up to 25 personal services contractors in the United States, notwithstanding any other provision of law, for the purpose of providing direct, interim support for new or expanded overseas programs and activities and managed by the agency until permanent direct hire personnel are hired and trained: Provided, That not more than 10 of such contractors shall be assigned to any bureau or office: Provided further, That such funds appropriated to carry out title II of the Agricultural Trade Development and Assistance Act of 1954, may be made available only for personal services contractors assigned to the Office of Food for Peace.

(d)(1) WAIVER.—The President may waive the provisions of section 1003 of Public Law 100-204 if the President determines and certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that it is important to the national security interests of the United States.

(2) *PERIOD OF APPLICATION OF WAIVER.*—Any waiver pursuant to paragraph (1) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

(e) *CONTINGENCIES.*—During fiscal year 2004, the President may use up to \$100,000,000 under the authority of section 451 of the Foreign Assistance Act, notwithstanding the funding ceiling in section 451(a).

(f) *SMALL BUSINESS.*—In entering into multiple award indefinite-quantity contracts with funds appropriated by this Act, the United States Agency for International Development may provide an exception to the fair opportunity process for placing task orders under such contracts when the order is placed with any category of small or small disadvantaged business.

(g) *RECONSTITUTING CIVILIAN POLICE AUTHORITY.*—In providing assistance with funds appropriated by this Act under section 660(b)(6) of the Foreign Assistance Act of 1961, support for a nation emerging from instability may be deemed to mean support for regional, district, municipal, or other sub-national entity emerging from instability, as well as a nation emerging from instability.

ADMINISTRATION OF JUSTICE ACTIVITIES

SEC. 526. Of the funds appropriated or otherwise made available by this Act for “Economic Support Fund”, assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean and in other regions consistent with the provisions of section 534(b) of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act. Funds made available pursuant to this section may be made available notwithstanding section 534(c) and the second and third sentences of section 534(e) of the Foreign Assistance Act of 1961.

ELIGIBILITY FOR ASSISTANCE

SEC. 527. (a) *ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.*—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1, 10, 11, and 12 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, and from funds appropriated under the heading “Assistance for Eastern Europe and the Baltic States”: Provided, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: Provided further, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: Provided further, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) *PUBLIC LAW 480.*—During fiscal year 2004, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: Provided, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) *EXCEPTION.*—This section shall not apply—

(1) with respect to section 620A of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to the government of a country that violates internationally recognized human rights.

EARMARKS

SEC. 528. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made not possible by operation of any provision of this or any other Act or other compelling foreign policy reason: Provided, That any such reprogramming shall be subject to the regular notification procedures

of the Committees on Appropriations: Provided further, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the United States Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: Provided, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.

CEILINGS AND EARMARKS

SEC. 529. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs. Earmarks or minimum funding requirements contained in any other Act shall not be applicable to funds appropriated by this Act.

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 530. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of the enactment of this Act by the Congress.

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

SEC. 531. To the maximum extent practicable, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

SEC. 532. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104–107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: Provided, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

WAR CRIMES TRIBUNALS DRAWDOWN

SEC. 533. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961, as amended, of up to \$30,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish or authorize to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: Provided, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c).

LANDMINES

SEC. 534. Notwithstanding any other provision of law, demining equipment available to the United States Agency for International Development and the Department of State and used in support of the clearance of landmines and unexploded ordnance for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe.

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 535. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declara-

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY—Continued

tion of Principles: Provided, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: Provided further, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 536. None of the funds appropriated or otherwise made available by this Act under the heading "International Military Education and Training" or "Foreign Military Financing Program" for Informational Program activities or under the headings "Child Survival and Health Programs Fund", "Development Assistance" and "Economic Support Fund" may be obligated or expended to pay for—

- (1) alcoholic beverages; or
- (2) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 537. (a) **AUTHORITY TO REDUCE DEBT.**—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

- (1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961;
- (2) credits extended or guarantees issued under the Arms Export Control Act; or
- (3) any obligation or portion of such obligation, to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89-808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95-501).

(b) **LIMITATIONS.**—

- (1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief and referendum agreements, commonly referred to as "Paris Club Agreed Minutes".
- (2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.
- (3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as "IDA-only" countries.
- (c) **CONDITIONS.**—The authority provided by subsection (a) may be exercised only with respect to a country whose government—
 - (1) does not have an excessive level of military expenditures;
 - (2) has not repeatedly provided support for acts of international terrorism;
 - (3) is not failing to cooperate on international narcotics control matters;
 - (4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and
 - (5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995.

(d) **AVAILABILITY OF FUNDS.**—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading "Debt Restructuring".

(e) **CERTAIN PROHIBITIONS INAPPLICABLE.**—A reduction of debt pursuant to subsection (a) shall not be considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 or section 321 of the International Development and Food Assistance Act of 1975.

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

SEC. 538. (a) **LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.**—

(1) **AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.**—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—

(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

(2) **TERMS AND CONDITIONS.**—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.

(3) **ADMINISTRATION.**—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

(4) **LIMITATION.**—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.

(b) **DEPOSIT OF PROCEEDS.**—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

(c) **ELIGIBLE PURCHASERS.**—A loan may be sold pursuant to subsection (a)(1)(A) only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(d) **DEBTOR CONSULTATIONS.**—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President should consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(e) **AVAILABILITY OF FUNDS.**—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading "Debt Restructuring".

HAITI COAST GUARD

SEC. 539. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the Coast Guard.

LIMITATION ON ASSISTANCE TO THE PALESTINIAN AUTHORITY

SEC. 540. (a) **PROHIBITION OF FUNDS.**—None of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 may be obligated or expended with respect to providing funds to the Palestinian Authority.

(b) **WAIVER.**—The prohibition included in subsection (a) shall not apply if the President certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that waiving such prohibition is important to the national security interests of the United States.

(c) **PERIOD OF APPLICATION OF WAIVER.**—Any waiver pursuant to subsection (b) shall be effective for no more than a period of 6 months

at a time and shall not apply beyond 12 months after the enactment of this Act.

PROHIBITION ON ASSISTANCE TO THE PALESTINIAN BROADCASTING CORPORATION

SEC. 541. None of the funds appropriated or otherwise made available by this Act may be used to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.

IRAQ

SEC. 542. Notwithstanding any other provision of law, funds appropriated by this Act may be made available for programs benefitting the Iraqi people and to support efforts to bring about a political transition in Iraq.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 543. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

COMMUNITY-BASED POLICE ASSISTANCE

SEC. 544. (a) *AUTHORITY*.—Funds made available by this Act to carry out the provisions of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 may be used, notwithstanding section 660 of that Act, to enhance the effectiveness and accountability of civilian police authority in Jamaica and El Salvador through training and technical assistance in internationally recognized human rights, the rule of law, strategic planning, and through the promotion of civilian police roles that support democratic governance including programs to prevent conflict and foster improved police relations with the communities they serve.

(b) *REPORT*.—The Administrator of the United States Agency for International Development shall submit a report to the appropriate congressional committees describing the progress each program is making toward improving police relations with the communities they serve and institutionalizing an effective community-based police program.

EXCESS DEFENSE ARTICLES FOR CENTRAL AND SOUTHERN EUROPEAN COUNTRIES AND CERTAIN OTHER COUNTRIES

SEC. 545. Notwithstanding section 516(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)), during each of the fiscal years 2004 and 2005, funds available to the Department of Defense may be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of section 516 of such Act to Albania, Bulgaria, Croatia, Estonia, Former Yugoslavia Republic of Macedonia, Georgia, India, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Mongolia, Pakistan, Romania, Slovakia, Slovenia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan: Provided, That section 105 of Public Law 104–164, as amended, is further amended by striking “2003 and 2004” and inserting “2004 and 2005”.